

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. 3252

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7  
8 COMMITTEE SUBSTITUTE

9 [ state government - Oklahoma Department of Commerce  
10 - needs - mission statement - five-year plan -  
11 annual report - authority - definitions - program -  
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16 emergency ]

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18  
19 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

20 SECTION 1. AMENDATORY 74 O.S. 2021, Section 5003.2, is  
21 amended to read as follows:

22 Section 5003.2 A. Recognizing the geographic diversity of this  
23 state, Oklahoma needs ~~one central, primary public-sector economic~~  
24 ~~development agency for the state in order to manage or coordinate~~

1 ~~all public sector economic development activity~~ a focus on long-term  
2 development of local communities to increase competitiveness and  
3 enhance economic opportunities.

4 Oklahoma needs an agency to work at the community ~~and firm~~ level  
5 to:

6 1. Create new and higher quality jobs for the people of this  
7 state through the ~~expansion, creation, restructuring and recruitment~~  
8 ~~of export-oriented Oklahoma firms which produce value-added goods,~~  
9 ~~services and processes~~ long-term development of local communities;

10 2. Encourage statewide economic diversification and stability;

11 3. Maintain a two-way flow of information between the ~~central~~  
12 state economic development agency and ~~firms, farms and~~ communities  
13 through regional organization and representation;

14 4. Implement the strategic economic development five-year plan  
15 developed by the state economic development entity; and

16 5. Carry out policy development and research in support of  
17 ~~Oklahoma Futures~~ the long-term competitiveness of Oklahoma;

18 6. Provide technical assistance to local communities in  
19 securing federal funding, incentive availability, and community  
20 development;

21 7. Provide assistance and funding in development of potential  
22 sites for economic development;

23 8. Coordinate with other state agencies deploying federal and  
24 state funds for infrastructure development including, but not

1 limited to, the Oklahoma Department of Transportation, the Oklahoma  
2 Water Resources Board, and the Oklahoma Broadband Office; and

3 9. Assist in compliance with the laws and regulations of  
4 economic incentives and economic development initiatives.

5 B. The Oklahoma Department of Commerce is hereby constituted an  
6 agency of state government.

7 C. Whenever the terms "Department of Economic Development" or  
8 "Department of Economic and Community Affairs" appear in the  
9 Oklahoma Statutes they shall mean and refer to the Oklahoma  
10 Department of Commerce.

11 SECTION 2. AMENDATORY 74 O.S. 2021, Section 5003.3, is  
12 amended to read as follows:

13 Section 5003.3 The mission of the Oklahoma Department of  
14 Commerce shall be to support ~~firms', farms' and local communities'~~  
15 ~~growth, diversification, expansion and ability to compete in export~~  
16 ~~markets in order to create new and better jobs for Oklahomans~~  
17 ~~throughout the state~~ community development and allow communities to  
18 compete effectively in economic development opportunities.

19 SECTION 3. AMENDATORY 74 O.S. 2021, Section 5003.4, is  
20 amended to read as follows:

21 Section 5003.4 As used in the Oklahoma Department of Commerce  
22 Act:

23 1. "Department" means the Oklahoma Department of Commerce;  
24

1        2. "Director" means the ~~director~~ Director of the Department of  
2 Commerce;

3        3. "Enterprise" means a ~~firm~~ business with its principal place  
4 of ~~business~~ operations in Oklahoma;

5        4. "Economic Information System" means a comprehensive  
6 statewide data collection, analysis and distribution system which  
7 makes available current and thorough information on Oklahoma  
8 economic trends and future Oklahoma economic opportunities to  
9 communities, ~~firms, farms and individuals in the state; firms and~~  
10 ~~individuals outside the state considering location in Oklahoma; and~~  
11 ~~Oklahoma Futures,~~ the Governor, the Legislature and all other state  
12 agencies and institutions; and

13        5. "Economic Innovation System" means a decentralized statewide  
14 system that responsively and innovatively coordinates technical  
15 assistance, grant and loan programs with local, state, federal and  
16 private sector activities into a single statewide Economic  
17 Innovation System.

18        SECTION 4.        AMENDATORY        74 O.S. 2021, Section 5003.7, is  
19 amended to read as follows:

20        Section 5003.7 A. The Oklahoma Department of Commerce shall  
21 prepare, with the cooperation of the Oklahoma business community,  
22 agricultural community, financial community, universities, labor and  
23 the state executive and legislative branches, a five-year ~~economic~~

24

1 ~~development~~ infrastructure and community development plan and annual  
2 updates for the State of Oklahoma.

3 1. The purpose of the plan shall be to identify significant  
4 economic, social, and demographic trends and development  
5 opportunities which may have both short-term and long-term impacts  
6 on the state and local economy and to present strategies and  
7 recommendations that the state and local political subdivisions  
8 might adopt to improve or stabilize the economy.

9 2. The goals of the plan shall include the development of a  
10 diversified state economy, increasing employment, the maximum use of  
11 federal, state and local funds ~~to achieve the goals or~~  
12 ~~recommendations included in the plan,~~ the maximum investment of  
13 capital in the economy of the state, and the improvement of the  
14 quality of life in the state.

15 3. The plan wherever possible shall make recommendations for  
16 infrastructure investment to encourage intergovernmental cooperation  
17 and public and private cooperation.

18 4. Copies of the plan and the annual updates shall be submitted  
19 to the ~~Oklahoma Advisory Committee on Intergovernmental Relations~~  
20 state economic development entity, the Governor, the Speaker of the  
21 House of Representatives, the President Pro Tempore of the Senate  
22 ~~and the chairmen of the standing committees on economic development~~  
23 ~~of the Senate and of the House of Representatives~~ on the first day  
24 of each legislative session.

1           5. The Department shall develop and manage a complete economic  
2 information system which will support the five-year planning  
3 process, and which will make available complete and timely  
4 information on the state economy. The economic information system  
5 ~~shall~~ may be operated by public or private Oklahoma universities or  
6 an Oklahoma enterprise capable of providing such services in a cost-  
7 effective manner.

8           6. The Department shall convene a working group of Oklahoma  
9 state agencies who invest state and federal funds to develop  
10 infrastructure to better coordinate and maximize deployment of  
11 funds. Agencies included in the working group shall include, but  
12 not be limited to, the Oklahoma Department of Transportation, the  
13 Oklahoma Water Resources Board, and the Oklahoma Broadband Office.

14           7. The Department shall provide technical assistance to local  
15 communities seeking to pursue federal funding opportunities.  
16 Technical assistance may include identification of federal funding  
17 opportunities, grant writing support, data collection, and  
18 identifying funds to meet matching funds requirements.

19           B. The Department, in conjunction with the Oklahoma Development  
20 Finance Authority, is authorized to develop an infrastructure  
21 program which will enable political subdivisions of this state to  
22 finance public works projects in order to modify or improve existing  
23 public facilities for purposes of bringing said facilities, and the  
24 operation thereof, into compliance with and maintaining compliance

1 with federal, state and local laws and regulations pertaining to the  
2 protection of the public health and the environment.

3 C. The Director shall develop an annual business plan for the  
4 Department. The business plan shall include the need and mission of  
5 each division of the Department created by law or the Director and  
6 an analysis of past costs and benefits and future projected costs  
7 and benefits to the state of the programs of each division of the  
8 Department. ~~The business plan shall be consistent with the goals of  
9 the recurring five-year plan specified in this section. The  
10 Director shall distribute copies of the business plan by such means  
11 that will make it widely available to communities, firms and local  
12 economic development managers throughout this state.~~

13 SECTION 5. AMENDATORY 74 O.S. 2021, Section 5003.8, is  
14 amended to read as follows:

15 Section 5003.8 In order to ensure that the Oklahoma Department  
16 of Commerce is effectively implementing its mission, purpose and  
17 objectives, the Department shall publish an annual report setting  
18 forth in detail the operations and programs conducted by it pursuant  
19 to this act or to other legislation. The report shall review both  
20 statewide progress and departmental progress according to several  
21 measures including objective measures listed in the Department's  
22 five-year plan. The Department shall present this report to the  
23 Governor and the Legislature. The annual report shall specifically  
24 account for ways in which the needs, mission and programs of the

1 Department described in this act have been carried out and  
2 recommendations shall specifically note what changes in the  
3 activities of the Department and the programs it administers and of  
4 state government are necessary to better address the mission  
5 described in this act. ~~The Department shall distribute its annual  
6 report by such means that will make it widely available to  
7 communities, firms and local economic development managers  
8 throughout this state.~~

9 SECTION 6. AMENDATORY 74 O.S. 2021, Section 5003.10, is  
10 amended to read as follows:

11 Section 5003.10 The Oklahoma Department of Commerce shall have  
12 the authority to:

13 1. ~~Disseminate~~ Maintain information concerning the industrial,  
14 commercial, governmental, educational, cultural, agricultural,  
15 business and other advantages and attractions of the state;

16 2. Assist public and private agencies in the preparation of  
17 ~~informational and publicity programs designed to attract or retain~~  
18 ~~business and industry for the state~~ plans for the development of  
19 local communities;

20 3. Obligate and expend funds for services performed by local  
21 political subdivisions of the state, state agencies, including  
22 universities and colleges within and without the state, and federal  
23 agencies for research and training in conformity with the general  
24 state laws governing such activity; and apply for, accept,



1 administer and expend grants from the federal government and any  
2 other public or private sources for research and training purposes;

3 4. Conduct, publish and disseminate or encourage research  
4 designed to further new and more extensive uses of the natural and  
5 other resources of the state and designed to develop and  
6 commercialize new products and commercial processes;

7 5. Study trends and developments in the industries of the state  
8 and analyze the reasons underlying such trends; study costs within  
9 the state; and make recommendations regarding circumstances  
10 promoting or hampering business and industrial development;

11 6. Generally gather, compile and make available economic  
12 analyses and statistical information relating to business, trade,  
13 commerce, industry, transportation, communication, natural  
14 resources, population and other like subjects in this state, with  
15 authority to call upon other agencies, universities and colleges of  
16 the state for statistical data and results obtained by them, and to  
17 arrange and compile such economic analyses and statistical  
18 information in such a manner as it deems advisable;

19 7. Study such other scientific, industrial, financial and  
20 economic issues as, in the judgment of the Department, shall be  
21 deemed of value to the people of the state;

22 8. Support and assist the efforts of state, regional and local  
23 development organizations, industrial committees, chambers of  
24 commerce, agricultural organizations, labor organizations and other

1 similar public and private agencies to obtain new and to foster  
2 expansion of existing service, industrial and manufacturing  
3 facilities, businesses and enterprises; and to foster community  
4 improvements in leadership, expertise, human development,  
5 infrastructure, public facilities and quality of life; and to expand  
6 data availability and utilization opportunities;

7 9. Maintain a continuing evaluation of the sources available  
8 for the financing of the development or expansion of industrial,  
9 agricultural and commercial facilities in this state through both  
10 public and private agencies;

11 10. Assist in obtaining financing for the development and  
12 expansion of industrial, agricultural and commercial facilities in  
13 the state;

14 11. ~~Serve as the state's official liaison agency between~~  
15 ~~persons interested in locating new economic enterprises in Oklahoma~~  
16 ~~and state and local groups seeking new enterprises. In this~~  
17 ~~respect, the Department shall aid communities in organizing for and~~  
18 ~~obtaining new businesses and expanding existing businesses and shall~~  
19 ~~process requests which reflect interest in locating economic~~  
20 ~~enterprises in the state~~ resource for local communities by providing  
21 technical assistance for funding opportunities and community  
22 development;

23  
24

1       ~~12. Promote the sale and facilitate the marketing of Oklahoma~~  
2 ~~products including agricultural and value added products in the~~  
3 ~~international market;~~

4       ~~13. Encourage the location of foreign manufacturing plants and~~  
5 ~~other industries in Oklahoma;~~

6       ~~14. Coordinate the international efforts of the various state~~  
7 ~~agencies without violating the individual authority given those~~  
8 ~~agencies by statute;~~

9       ~~15. Coordinate and serve as liaison to the private sector as~~  
10 ~~needed;~~

11       ~~16.~~ Establish, subject to an annual appropriation or private  
12 gifts, offices outside the state boundaries. The offices may be  
13 operated by the state or may be operated pursuant to contract which  
14 shall not be subject to the competitive bid laws of the State of  
15 Oklahoma. The Department shall prepare an annual report concerning  
16 the activities of the offices and submit it to the Governor and the  
17 Legislature. The Director of the Oklahoma Department of Commerce  
18 shall notify in writing the Governor, the President Pro Tempore of  
19 the Senate and the Speaker of the House of Representatives that the  
20 Department intends to establish a new office pursuant to this  
21 paragraph at least thirty (30) days prior to the establishment of  
22 the new office or execution of a contract;

23       ~~17.~~ 13. Establish a system of not less than six geographic  
24 regions for providing technical assistance and support to local

1 communities in promoting new or existing businesses, assisting in  
2 the expansion of small and medium sized manufacturers through a  
3 modernization program, creating new jobs, and assisting local  
4 businesses, political subdivisions or other entities to better  
5 utilize the services of the Department;

6 ~~18.~~ 14. Solicit, accept and expend donations and contributions  
7 from any source, whether public or private, in order to advertise,  
8 promote or disseminate information which may assist in the  
9 ~~recruitment of companies, firms or jobs to~~ development of  
10 communities in Oklahoma, including but not limited to the Oklahoma  
11 Quality Jobs Program Act, and any other acts which the Department  
12 administers or which may assist the Department in the performance of  
13 its mission. The Department shall deposit any funds collected  
14 pursuant to this paragraph in the ~~"Oklahoma Department of Commerce~~  
15 ~~Revolving Fund"~~ "Oklahoma Department of Commerce Revolving Fund"  
16 created by Section 5012 of this title; and

17 ~~19.~~ 15. Enter into contracts at fair market value for the  
18 rental of office space in any facility under its control to entities  
19 engaged in activities related to the ~~export of goods produced in~~  
20 development of Oklahoma. The Department shall deposit any funds  
21 collected pursuant to this paragraph in the ~~"Oklahoma Department of~~  
22 ~~Commerce Revolving Fund"~~ "Oklahoma Department of Commerce Revolving  
23 Fund" created by Section 5012 of this title.

24

1 SECTION 7. AMENDATORY 15 O.S. 2021, Section 681, is  
2 amended to read as follows:

3 Section 681. As used in the Invention Development Services Act:

4 1. "Contract for invention development services" includes a  
5 contract by which an invention developer undertakes to develop or  
6 promote an invention for a customer;

7 2. "Customer" means any natural person who is solicited by,  
8 inquires about, seeks the services of or enters into a contract with  
9 an invention developer for invention development services;

10 3. "Invention" includes a process, design, asexually reproduced  
11 plant, machine, manufacture, composition of matter, improvement upon  
12 the foregoing, or a concept;

13 4. "Invention developer" means any person, firm, corporation or  
14 association and the agents, employees or representatives of the  
15 person, firm, corporation or association which develops or promotes  
16 or offers to develop or promote an invention of a customer in order  
17 that the invention of the customer may be patented, licensed or sold  
18 for manufacture or manufactured in large quantities. The term  
19 "invention developer" does not include:

20 a. a partnership or corporation when all of its partners,  
21 stockholders or members are licensed by a state or the  
22 United States to render legal advice concerning  
23 patents and trademarks, or a person so licensed,  
24

- 1           b. a department or agency of the federal, state or local  
2 government, including the inventor's assistance  
3 program ~~established~~ administered by the Oklahoma  
4 ~~Department of Commerce~~ Center for the Advancement of  
5 Science and Technology,
- 6           c. a charitable, scientific, education, religious or  
7 other organization registered pursuant to state law,
- 8           d. a person, firm, corporation, association or other  
9 entity that does not charge a fee for invention  
10 development services, or
- 11           e. any person, firm, corporation, association or other  
12 entity whose gross receipts from contracts for  
13 invention development services do not exceed ten  
14 percent (10%) of its gross receipts from all sources  
15 during the fiscal year preceding the year in which any  
16 contract for invention development services is signed.

17           For the purposes of this paragraph, "fee" shall include any  
18 payment made by the customer to the entity, including reimbursements  
19 for expenditures made or costs incurred by such entity, but shall  
20 not include a payment made from a portion of the income received by  
21 a customer by virtue of invention development services performed by  
22 the entity;

1        5. "Invention development services" includes any act required  
2 or promised to be performed, or actually performed by an invention  
3 developer for a customer.

4        SECTION 8.            AMENDATORY            62 O.S. 2021, Section 2401, is  
5 amended to read as follows:

6        Section 2401. A. The Oklahoma ~~Department of Commerce~~ Center  
7 for the Advancement of Science and Technology (OCAST) shall create  
8 an "Invest In Oklahoma" program to provide entities in this state  
9 with funds for opportunities to invest in Oklahoma-based private  
10 equity funds, venture capital funds and growth funds. Opportunities  
11 for investment shall also include private equity funds, venture  
12 capital funds and growth funds that make substantial investments in  
13 this state.

14        B. ~~The Department~~ OCAST shall select venture capital and growth  
15 funds to qualify for investments within the Invest In Oklahoma  
16 Program based on factors including but not limited to:

- 17        1. Rate of return;
- 18        2. Years of operation;
- 19        3. Sufficiency of capitalization;
- 20        4. Investment performance track record;
- 21        5. Differentiation and sustainability of investment strategy;
- 22        6. Fee structure;
- 23        7. Background of limited partners; and
- 24        8. Ratio of capital invested in this state.

1 C. ~~The Department~~ OCAST shall exercise judgement and care,  
2 under circumstances then prevailing, which persons of prudence,  
3 discretion and intelligence exercise in the management of their own  
4 affairs, for investment, considering the probable safety of their  
5 capital as well as the probable income to be derived when  
6 determining qualifying venture capital and growth funds to ensure  
7 the funds are being appropriately managed and invested.

8 D. ~~The Department~~ OCAST shall develop a request for proposal  
9 that includes the factors provided in subsection B of this section.  
10 ~~The Department~~ OCAST shall maintain a list of available venture  
11 capital and growth funds which are participating in the Invest ~~in~~ In  
12 Oklahoma Program in which public entities are encouraged to invest.

13 SECTION 9. AMENDATORY 62 O.S. 2021, Section 2403, is  
14 amended to read as follows:

15 Section 2403. The Oklahoma ~~Department of Commerce~~ Center for  
16 the Advancement of Science and Technology shall promulgate rules to  
17 enforce the provisions of the Invest In Oklahoma Act.

18 SECTION 10. AMENDATORY 63 O.S. 2021, Section 2902, is  
19 amended to read as follows:

20 Section 2902. A. The ~~Oklahoma~~ Department of ~~Commerce~~ Human  
21 Services shall be responsible for the disbursement and  
22 implementation of the Energy Conservation Assistance Fund.

23 B. The Department shall involve senior citizen groups, social  
24 service agencies and other civic groups in publicizing such program.



1 C. The Department of Human Services, ~~in cooperation with the~~  
2 ~~Oklahoma Department of Commerce,~~ shall determine eligibility  
3 requirements necessary to qualify a homeowner to obtain such grants.  
4 Upon meeting any such eligibility standards, the Department of Human  
5 Services shall certify ~~to the Oklahoma Department of Commerce~~ that  
6 such homeowner is qualified to receive such grant upon notification  
7 of such certification. The ~~Oklahoma Department of Commerce~~ Human  
8 Services shall distribute the grant funds. Priorities shall be  
9 established for applications according to those indicating the  
10 greatest need. Low-income elderly and handicapped applicants shall  
11 be given first priority.

12 D. In order to qualify for grant assistance, the property shall  
13 meet all of the following requirements:

- 14 1. The property shall be the homestead of the applicant; and
- 15 2. The property for which the grant is issued shall not be  
16 income-producing or used in any method other than as the principal  
17 residence of the applicant.

18 E. Grants may be issued to finance the following types of  
19 weatherization:

- 20 1. Structural repairs necessary to improve efficient heating  
21 and cooling of the residence;
- 22 2. Insulation for attics, walls and water heaters;
- 23 3. Replacement of broken glass, inefficient doors and door  
24 thresholds;

- 1           4. Storm windows;
- 2           5. Caulking and weather stripping; and
- 3           6. Other appropriate energy conservation measures as determined
- 4 by the ~~Oklahoma~~ Department of ~~Commerce~~ Human Services.

5           No grants shall be made through this program unless an energy

6 audit has been performed on the applicant's principal residence.

7           No grant shall exceed Three Thousand Dollars (\$3,000.00). No

8 grant shall be awarded to any applicant with an annual income in

9 excess of the amount specified in this subsection.

10          Income eligibility shall be determined based on one hundred

11 twenty-five percent (125%) of the poverty guidelines issued by the

12 United States Office of Management and Budget.

13          F. The application for the grant shall be in such form as

14 determined by the ~~Oklahoma~~ Department of ~~Commerce~~ Human Services.

15 No grant shall be issued to any person until such person has been

16 certified as eligible by the Department of Human Services. The

17 applicant shall be provided with copies of all documents related to

18 the issuance of the grant. The applicant shall provide documents,

19 as required, concerning the status of property and household income.

20          G. 1. The ~~Oklahoma~~ Department of ~~Commerce~~ Human Services

21 contractors shall be nonprofit community action agencies or other

22 nonprofit entities experienced with weatherization programs. The

23 ~~Oklahoma~~ Department of ~~Commerce~~ Human Services shall monitor

24

1 contractors for compliance with all Department policies, guidelines  
2 and regulations.

3 2. Contractors shall be responsible for completion and  
4 inspection of all work undertaken. No payment shall be made to any  
5 contractor until after the required documentation is submitted and  
6 approved by the ~~Oklahoma~~ Department of ~~Commerce~~ Human Services.  
7 Payments to contractors shall be made for services rendered and  
8 shall be based on the costs previously agreed to in writing.

9 H. The ~~Oklahoma~~ Department of ~~Commerce~~ Human Services shall  
10 actively monitor and audit the financial and operating records of  
11 the contractors involved with the Energy Conservation Assistance  
12 Fund to assure appropriate compliance with established regulations,  
13 guidelines and standards. The ~~Oklahoma~~ Department of ~~Commerce~~ Human  
14 Services shall also monitor contractors to ensure use of proper  
15 materials and workmanship.

16 SECTION 11. AMENDATORY 63 O.S. 2021, Section 2903, is  
17 amended to read as follows:

18 Section 2903. A. The State of Oklahoma through the Department  
19 shall have a lien against the property on which the work is being  
20 performed for the amount of the loan plus interest thereon. The  
21 Department shall record a notice of lien with the county clerk where  
22 the property is located. A delinquent installment of the loan may  
23 be foreclosed by the Department and the property concerned shall be  
24 sold in the manner provided for foreclosures of mortgages on land.

1 Any real estate sold under any order, judgment or decree of court to  
2 satisfy the lien may be redeemed by the owner or his assignee at any  
3 time within one (1) year of the date of the sale by paying to the  
4 purchaser thereof or his assignee the amount paid with interest from  
5 the date of purchase at the rate of twelve percent (12%) per year.

6 B. Repayment of each loan shall be determined according to a  
7 repayment schedule determined by the Department.

8 C. Repayment of the loan may be deferred until that time when  
9 the loan recipient sells the property or ownership is transferred.  
10 In such cases where a loan has not been repaid after ten (10) years,  
11 another ten-year extension shall be granted if the loan recipient or  
12 the surviving spouse is still the owner-occupier of the residence.  
13 Such extensions shall be granted until such time when the property  
14 is transferred from the loan recipient or the surviving spouse to  
15 another party.

16 D. Loan repayments shall be made to the ~~Oklahoma~~ Department of  
17 ~~Commerce~~ Human Services and shall be deposited in the Energy  
18 Conservation Loan Fund.

19 SECTION 12. AMENDATORY 68 O.S. 2021, Section 2358.110,  
20 is amended to read as follows:

21 Section 2358.110 A. As used in this section:

22 1. "Accredited investor" means a person or entity as defined  
23 pursuant to Section 230.501 of Title 17 of the Code of Federal  
24 Regulations;

1           2. "Eligible Oklahoma business venture" means a lawful business  
2 entity that is determined by the Oklahoma ~~Department of Commerce~~  
3 Center for the Advancement of Science and Technology (OCAST) for  
4 receipt of an equity investment by an eligible Oklahoma venture  
5 capital company. In determining whether an investment is a  
6 qualified equity investment, ~~the Department~~ OCAST shall consider the  
7 potential impact the investment would have on the local and state  
8 economy and shall consider the following factors:

- 9           a. the primary location of the entity,
- 10           b. the number of employees located or to be located in  
11           this state,
- 12           c. state and local revenues generated from the  
13           investment,
- 14           d. the economic benefits to the state,
- 15           e. the type and amount of the investment,
- 16           f. the current capitalization level and strategy, and  
17           g. the industry classification of the entity;

18           3. "Eligible Oklahoma venture capital company" means a lawfully  
19 recognized business entity the primary business purpose of which is  
20 to accumulate funds for making investments in lawful for profit  
21 business entities and which is organized in any of the following  
22 forms:

- 23           a. general partnership,
- 24           b. limited partnership,

- c. limited liability partnership,
- d. limited liability company,
- e. corporation, or
- f. other lawfully recognized business entity;

4. "Lawful business entity" means the following:

- a. a person,
- b. a general partnership,
- c. a limited partnership,
- d. a limited liability partnership,
- e. a limited liability company, or
- f. a corporation; and

5. "Qualified equity investment" means a transfer of cash or its equivalent by an accredited investor to an eligible Oklahoma venture capital company and for purposes of the deduction authorized by this section in an amount not in excess of Twenty-five Million Dollars (\$25,000,000.00) by an accredited investor during a taxable year.

B. For tax years 2022 through 2026, there shall be allowed a deduction from Oklahoma taxable income or Oklahoma adjusted gross income as determined pursuant to Section 2358 of Title 68 of the Oklahoma Statutes equal to the amount of qualified equity investment in an eligible Oklahoma venture capital entity made by an accredited investor.

1 C. The maximum amount of qualified equity investment made by an  
2 accredited investor for purposes of the deduction authorized by this  
3 section shall not exceed Twenty-five Million Dollars  
4 (\$25,000,000.00) for any taxable year of the investor.

5 D. Any qualified equity investment made for purposes of the  
6 deduction authorized by this section shall be documented by the  
7 issuance of shares of stock, membership interest or other evidence  
8 of the equity interest acquired by the accredited investor. Such  
9 evidence may take the form of physical shares or the electronic  
10 equivalent of physical shares.

11 E. Records of the equity interest acquired by an accredited  
12 investor shall be maintained by the accredited investor and the  
13 eligible Oklahoma venture capital company for a period of at least  
14 five (5) years from the date the equity investment is made by an  
15 accredited investor.

16 F. A qualified equity investment made by an accredited investor  
17 for purposes of the deduction authorized by this section shall not  
18 be returned by the eligible Oklahoma venture capital company to the  
19 accredited investor, if the accredited investor is a natural person,  
20 or to any person related to such natural person within the third  
21 degree of consanguinity or affinity, for a period of three (3) years  
22 from the date of the qualified equity investment unless the return  
23 is in the form of a dividend or other payment agreed to prior to or  
24 simultaneously with the equity investment transfer from the

1 accredited investor to the eligible Oklahoma venture capital company  
2 and only if the return of some part of the qualified equity  
3 investment is based on the financial performance of either the  
4 eligible Oklahoma venture capital company or the financial  
5 performance of one or more for profit business entities in which the  
6 accumulated equity funds of the eligible Oklahoma venture capital  
7 company are further invested or both such measures of financial  
8 performance.

9 G. A qualified equity investment made by an accredited investor  
10 for purposes of the deduction authorized by this section shall not  
11 be returned by the eligible Oklahoma venture capital company to the  
12 accredited investor if the accredited investor is a lawful business  
13 entity, or to any entity which owns fifty one percent (51%) or more  
14 of the voting equity interest of the accredited investor or to any  
15 lawful business entity with respect to which the accredited investor  
16 owns fifty one percent (51%) or more of the voting equity interest,  
17 within a period of five (5) years from the date of the equity  
18 investment unless the return is in the form of a dividend or other  
19 payment agreed to prior to or simultaneously with the equity  
20 investment transfer from the accredited investor to the eligible  
21 Oklahoma venture capital company and only if the return of some part  
22 of the qualified equity investment is based on the financial  
23 performance of either the eligible Oklahoma venture capital company  
24 or the financial performance of one or more for profit business



1 entities in which the accumulated equity funds of the eligible  
2 Oklahoma venture capital company are further invested or both such  
3 measures of financial performance.

4 H. The deduction authorized by the provisions of this section  
5 shall not be used to reduce the Oklahoma taxable income amount or  
6 the Oklahoma adjusted gross income amount to less than zero (0).  
7 There shall not be any carryover with respect to a deduction  
8 authorized by the provisions of this section.

9 I. If the Oklahoma Tax Commission determines, either from  
10 information accompanying any applicable income tax return or  
11 schedule, form or supporting documentation filed in order to claim  
12 the deduction authorized by this section, that the requirements of  
13 this section were not fulfilled, the Oklahoma Tax Commission shall  
14 notify the taxpayer claiming the deduction that the deduction has  
15 been disallowed and the income tax liability for the taxpayer shall  
16 be recalculated. The taxpayer shall retain all rights authorized  
17 pursuant to the provisions of the Uniform Tax Procedure Code and the  
18 Oklahoma Income Tax Code in order to contest the disallowance of  
19 part or all of such deductions.

20 J. ~~The Department~~ OCAST may promulgate rules to enforce the  
21 provisions of this act. ~~The Department~~ OCAST shall annually publish  
22 a report on the program created in this section.

23 SECTION 13. AMENDATORY 74 O.S. 2021, Section 5017.1, is  
24 amended to read as follows:

1 Section 5017.1 The Oklahoma Department of ~~Commer~~  
2 Environmental Quality shall have the authority to establish,  
3 administer and enforce state and federal energy conservation  
4 programs including, but not limited to, implementing The Energy  
5 Conservation Act of 1975 (P.L. 94-163), National Energy Extension  
6 Service Act (P.L. 95-39, 42 U.S.C. Section 7001 et seq.) and the  
7 National Conservation Policy Act (P.L. 95-619), except as otherwise  
8 provided by law.

9 The Energy Conservation Services Division of the Oklahoma  
10 Corporation Commission is hereby abolished. All personnel,  
11 equipment, files, fixtures, funds, furniture, publications and  
12 supplies, and all duties, functions, authority and contractual  
13 obligations that relate to the Energy Conservation Services Division  
14 of the Oklahoma Corporation Commission are hereby transferred to and  
15 vested in the Oklahoma Department of ~~Commer~~ Environmental Quality.

16 ~~Employees transferred to the Oklahoma Department of Commerce~~  
17 ~~shall be classified and subject to the provisions of the Merit~~  
18 ~~System of Personnel Administration as provided for in the Oklahoma~~  
19 ~~Personnel Act. The salaries, grade and/or class of the employees~~  
20 ~~transferred shall be adjusted to be commensurate with comparable~~  
21 ~~positions in the Oklahoma Department of Commerce.~~

22 ~~The full-time equivalent employee positions funded through the~~  
23 ~~federal energy conservation programs outlined in this section shall~~  
24 ~~terminate upon the exhaustion of said federal funding.~~

1 SECTION 14. AMENDATORY 74 O.S. 2021, Section 5017.7, is  
2 amended to read as follows:

3 Section 5017.7 ~~The Oklahoma Department of Commerce~~ Lieutenant  
4 Governor shall serve as the Oklahoma Chief International Protocol  
5 Office and provide a resource for information concerning proper  
6 protocol with regard to international diplomats and officials and  
7 shall cooperate with other state agencies already engaged in  
8 international relations to facilitate and coordinate government  
9 resources for optimal leveraging in achieving the common goal of  
10 advancing Oklahoma to the forefront of the global community. ~~An~~  
11 ~~associate with the Oklahoma Department of Commerce~~ A representative  
12 of the Lieutenant Governor may also serve as the official  
13 representative of the Governor to ensure that the growing numbers of  
14 international officials traveling to Oklahoma are warmly received  
15 and enjoy productive visits to the state. When dealing with  
16 international visitors of foreign governments, the associate may  
17 greet chiefs of state, heads of government and other appropriate  
18 functionaries, and may provide support to coordinate, arrange and  
19 facilitate meetings and other engagements between the Governor and  
20 international leaders.

21 ~~The Oklahoma Department of Commerce~~ Office of the Lieutenant  
22 Governor shall, for the encouragement of international trade  
23 opportunities for Oklahoma businesses, encourage and assist private  
24

1 efforts toward the development of interpersonal relationships  
2 between citizens of this state and citizens of other nations.

3 SECTION 15. AMENDATORY 74 O.S. 2021, Section 5028, is  
4 amended to read as follows:

5 Section 5028. ~~A.~~ There is hereby created in the State Treasury  
6 a special fund for the ~~Oklahoma~~ State Department of ~~Commerce~~ Health  
7 to be designated the "County Jail Improvement Fund". The fund shall  
8 be a continuing fund, not subject to fiscal year limitations. All  
9 monies appropriated to the fund may be budgeted and expended by the  
10 ~~Oklahoma~~ State Department of ~~Commerce~~ Health for the purpose of  
11 providing matching funds to counties to renovate existing or to  
12 construct new jail facilities in accordance with state-approved jail  
13 standards. Expenditures from said fund shall be made upon warrants  
14 issued by the State Treasurer against claims filed as prescribed by  
15 law with the Director of the Office of Management and Enterprise  
16 Services for approval and payment.

17 ~~B. On July 1, 1986, any unallotted cash balance in the County~~  
18 ~~Jail Improvement Fund created in Section 66 of Title 57 of the~~  
19 ~~Oklahoma Statutes shall be transferred to the County Jail~~  
20 ~~Improvement Fund created in this section. All outstanding financial~~  
21 ~~obligations and encumbrances of the County Jail Improvement Fund~~  
22 ~~created in Section 66 of Title 57 of the Oklahoma Statutes are~~  
23 ~~hereby transferred to the Oklahoma Department of Commerce. After~~  
24 ~~November 15, 1986, any unexpended balance in the County Jail~~

1 ~~Improvement Fund created in Section 66 of Title 57 of the Oklahoma~~  
2 ~~Statutes shall be transferred to the County Jail Improvement Fund~~  
3 ~~created in this section.~~

4 SECTION 16. AMENDATORY 74 O.S. 2021, Section 5029, is  
5 amended to read as follows:

6 Section 5029. The ~~Oklahoma~~ State Department of ~~Commerce~~ Health  
7 shall approve only those applications for funds to renovate an  
8 existing county jail facility or to construct a new county jail  
9 facility which contain proposed plans that are in compliance with  
10 state-approved jail standards as determined by the Jail Inspection  
11 Division, ~~Oklahoma~~ State Department of Health. Any jail facility  
12 which serves as a combined city and county jail facility shall be  
13 eligible to apply for a grant under the provisions of this act.

14 For each grant of funds by the ~~Oklahoma~~ State Department of  
15 ~~Commerce~~ Health to a county, the requesting county must legally bind  
16 itself to expend on said property funds equal to the amount of funds  
17 being applied for from the County Jail Improvement Fund.

18 No application for funds available under the provisions of this  
19 act may be filed where the construction of new facilities or the  
20 renovation of existing facilities has begun by July 1, 1981.

21 No applicant may receive more than a total of Two Hundred  
22 Thousand Dollars (\$200,000.00) from the ~~"County Jail Improvement~~  
23 ~~Fund"~~ "County Jail Improvement Fund" in any one fiscal year.

24

1 SECTION 17. AMENDATORY 74 O.S. 2021, Section 5030, is  
2 amended to read as follows:

3 Section 5030. ~~A.~~ There is hereby created in the State Treasury  
4 a revolving fund to be designated as the "Weatherization Revolving  
5 Fund", which shall consist of all monies appropriated or transferred  
6 to the fund. Said revolving fund shall be a continuing fund not  
7 subject to fiscal year limitations and shall be under the  
8 administration of the ~~Oklahoma~~ Department of ~~Commerce~~ Human Services  
9 and may be disbursed without legislative appropriation. Warrants  
10 for expenditures from said revolving fund shall be drawn by the  
11 State Treasurer, based on claims signed by an authorized employee or  
12 employees of the ~~Oklahoma~~ Department of ~~Commerce~~ Human Services and  
13 approved for payment by the Director of the Office of Management and  
14 Enterprise Services. It is hereby declared that energy conservation  
15 is in the interest of the State of Oklahoma. The purpose of this  
16 fund is to provide monies to be used for the purpose of weatherizing  
17 households in Oklahoma thereby conserving the oil and natural gas  
18 resources of the state.

19 ~~B. On July 1, 1986, any unallotted cash balance in the~~  
20 ~~Weatherization Revolving Fund created in Section 1537.1 of this~~  
21 ~~title shall be transferred to the Weatherization Revolving Fund~~  
22 ~~created in this section. All outstanding financial obligations and~~  
23 ~~encumbrances of the Weatherization Revolving Fund created in Section~~  
24 ~~1537.1 of this title are hereby transferred to the Oklahoma~~

1 ~~Department of Commerce. After November 15, 1986, any unexpended~~  
2 ~~balance in the Weatherization Revolving Fund created in Section~~  
3 ~~1537.1 of this title shall be transferred to the Weatherization~~  
4 ~~Revolving Fund created in this section.~~

5 SECTION 18. AMENDATORY 74 O.S. 2021, Section 5040.4, is  
6 amended to read as follows:

7 Section 5040.4 A. ~~Beginning November 1, 2005, the Oklahoma~~ The  
8 State Department of ~~Commerce~~ Health shall establish, through a  
9 competitive bid process, a statewide program to assist medically  
10 indigent residents of Oklahoma to receive prescriptions from drug  
11 manufacturer assistance programs.

12 B. Agencies including, but not limited to, the following shall  
13 be encouraged by the Department to submit bids:

- 14 1. County offices of the Department of Human Services;
- 15 2. County health departments;
- 16 3. Community action agencies designated by the Oklahoma  
17 Department of Commerce pursuant to Section 5038 of ~~Title 74 of the~~  
18 ~~Oklahoma Statutes~~ this title;
- 19 4. Community mental health centers;
- 20 5. Private nonprofit agencies; and
- 21 6. Public entities engaged in the delivery of social services.

22 C. Agencies selected by the Department to provide services  
23 pursuant to the Rx for Oklahoma Act shall, at a minimum, demonstrate  
24 their ability to:

1 1. Deliver services in a community or geographic area of the  
2 state that is not currently receiving services pursuant to the Rx  
3 for Oklahoma Act;

4 2. Maintain a dedicated telephone line and computer with  
5 Internet access with appropriate software during normal business  
6 hours; and

7 3. Have staff or volunteers available who can:

- 8 a. develop and implement community awareness initiatives  
9 about the prescription assistance services offered by  
10 the agency,
- 11 b. determine whether a pharmaceutical program is offered  
12 for the drug or drugs a person needs,
- 13 c. determine whether a person is eligible for assistance  
14 through a pharmaceutical program,
- 15 d. assist a person to make application to and enroll in a  
16 pharmaceutical assistance program,
- 17 e. keep accurate records of the number of clients served,
- 18 f. maintain the confidentiality of all client information  
19 including, but not limited to, the client's identity,  
20 application information and other records, and
- 21 g. estimate the value of prescriptions provided to  
22 clients under the program.

23 D. Eligibility for the Rx for Oklahoma Act shall be residents  
24 of Oklahoma who:



- 1 1. Are medically indigent; or
- 2 2. Are not medically indigent but cannot reasonably afford to
- 3 pay for prescription medications.

4 E. The ~~Oklahoma~~ State Department of ~~Commerce~~ Health shall  
5 promulgate rules or establish procedures necessary to implement the  
6 program established by the Rx for Oklahoma Act and shall submit an  
7 annual report to the Legislature and the Governor no later than  
8 January 1 of each year. The report shall include, but not be  
9 limited to, the following:

10 1. A listing of entities awarded grants and the amount of each  
11 award;

12 2. The number of residents served who were eligible for a drug  
13 manufacturer assistance program and the average amount of savings  
14 per resident;

15 3. The number of residents who sought assistance pursuant to  
16 the Rx for Oklahoma Act, but were determined not to be eligible for  
17 a drug manufacturer assistance program; and

18 4. A report by the Department of total expenditures. Included  
19 within the report shall be a summary of each grantee's  
20 administrative, personnel, and direct services expenditures by  
21 category relative to the grantee's administration of the program.

22 SECTION 19. This act shall become effective July 1, 2024.

23 SECTION 20. It being immediately necessary for the preservation  
24 of the public peace, health or safety, an emergency is hereby

1 declared to exist, by reason whereof this act shall take effect and  
2 be in full force from and after its passage and approval.

3

4 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
5 02/29/2024 - DO PASS, As Amended and Coauthored.

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