

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 SENATE BILL 119

By: Green

6 AS INTRODUCED

7 An Act relating to economic development; creating
8 investment rebate program until certain date;
9 providing qualifying criteria; requiring submission
10 of application; requiring the Oklahoma Department of
11 Commerce to approve or disapprove certain claims and
12 issue payment; limiting source of payments; making
13 payments contingent upon deposits to certain fund;
14 providing amount of rebate; authorizing conditional
15 pre-qualification; creating the Commerce Energy
Manufacturing Activity Development Fund; establishing
fund procedures; providing sources of funds;
providing for expenditures from fund; directing
transfer of unencumbered fund upon certain date;
making appropriation; directing deposit in certain
fund; providing for codification; providing an
effective date; and declaring an emergency.

16

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

18 SECTION 1. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 3648.1 of Title 68, unless there
20 is created a duplication in numbering, reads as follows:

21 A. There is hereby created until July 1, 2031, an investment
22 rebate program for the cost of qualified capital expenditures, as
23 defined by Section 3645.3 of Title 68 of the Oklahoma Statutes, by

1 establishments defined by Section 3645.3 of Title 68 of the Oklahoma
2 Statutes, that:

3 1. Refine, manufacture, or process compounds or elements into
4 hydrogen-based products, including the production of blue hydrogen
5 through the process of autothermal reforming (ATR) and green
6 hydrogen through the process of electrolysis, and the refining of
7 domestically produced crude oil into cleaner transportation fuels in
8 industries defined or classified in the North American Industry
9 Classification System (NAICS) Manual under Subsector 324 or 325;

10 2. Generate and store emission free power and energy in
11 industries defined or classified in the NAICS Manual under Subsector
12 221, and water production from waste heat and ambient air; and

13 3. Have acquired at least a six hundred (600) acre parcel of
14 real property located within this state, where the qualified capital
15 will be located.

16 B. To be eligible for consideration for an investment rebate
17 payment awarded under the provisions of this act, the establishment
18 shall:

19 1. Submit an application and documentation to the Oklahoma
20 Department of Commerce, as required by the Department, outlining a
21 capital expenditure plan in this state associated with qualified
22 capital expenditures totaling no less than Seven Hundred Fifty
23 Million Dollars (\$750,000,000.00);

1 2. Have made qualified capital expenditures no less than twenty
2 percent (20%) of the capital expenditure plan outlined in the
3 application submitted by the primary establishment and approved by
4 the Oklahoma Department of Commerce, pursuant to the provisions of
5 this act; and

6 3. Have filed all Oklahoma tax returns and tax documents
7 required by law.

8 C. Notwithstanding any other provision of law, no investment
9 expenditure shall be utilized for calculation purposes that results
10 in the qualification of more than one establishment under the
11 provisions of this act, for investment rebate payments based on the
12 same expenditure.

13 D. 1. The Oklahoma Department of Commerce shall approve or
14 disapprove claims for rebates and shall issue payment for all
15 approved claims from funds held in the Commerce Energy Manufacturing
16 Activity Development Fund created in Section 2 of this act.

17 2. The Department shall disapprove all applications and claims
18 or any portion of applications and claims for rebates that would
19 exceed the balance of available funds in the Commerce Energy
20 Manufacturing Activity Development Fund.

21 3. The total amount of applications approved and investment
22 rebate payments awarded under the provisions of this act shall not
23 exceed the total amount of monies designated by law for deposit to
24 the Commerce Energy Manufacturing Activity Development Fund.

1 E. 1. Subject to the approval and ongoing review of the
2 eligibility application by the Oklahoma Department of Commerce, the
3 investment rebate payment authorized by this act shall be equal to
4 six and sixty-seven one-hundredths percent (6.67%) of the cost of
5 the qualified capital expenditure in the year of expenditure.

6 2. The Department is authorized to conditionally pre-qualify
7 and account for anticipated future investment rebate payments. The
8 Oklahoma Department of Commerce shall not pre-qualify investment
9 rebate payments, encumber funds, pre-encumber funds, or otherwise
10 allocate resources that would result in the allocation of investment
11 rebate payments in excess of the balance of available funds in the
12 Commerce Energy Manufacturing Activity Development Fund.

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

16 A. There is hereby created in the State Treasury a fund for the
17 Oklahoma Department of Commerce to be designated the "Commerce
18 Energy Manufacturing Activity Development Fund". The fund shall be
19 a continuing fund, not subject to fiscal year limitations, and shall
20 consist of all monies designated for deposit to the fund by law.
21 All monies accruing to the credit of the fund are hereby
22 appropriated and may be budgeted and expended by the Department for
23 the purpose of paying rebates as provided in this act. Expenditures
24 from the fund shall be made upon warrants issued by the State

1 Treasurer against claims filed as prescribed by law with the
2 Director of the Office of Management and Enterprise Services for
3 approval and payment.

4 B. All unencumbered funds remaining in the Commerce Energy
5 Manufacturing Activity Development Fund upon July 1, 2031, shall be
6 transferred to the State Treasurer for deposit in the General
7 Revenue Fund.

8 SECTION 3. There is hereby appropriated to the Oklahoma
9 Department of Commerce for deposit in the Commerce Energy
10 Manufacturing Activity Development Fund, from any monies not
11 otherwise appropriated from the General Revenue Fund of the State
12 Treasury for the fiscal year ending June 30, 2023, the sum of Fifty
13 Million Dollars (\$50,000,000.00).

14 SECTION 4. This act shall become effective July 1, 2025.

15 SECTION 5. It being immediately necessary for the preservation
16 of the public peace, health or safety, an emergency is hereby
17 declared to exist, by reason whereof this act shall take effect and
18 be in full force from and after its passage and approval.

20 60-1-682

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