

1 STATE OF OKLAHOMA

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

3 COMMITTEE SUBSTITUTE  
FOR  
4 HOUSE BILL NO. 2781

By: Caldwell (Trey) and Kane of  
the House

5 and

6 Hall and Haste of the  
7 Senate

8

9

10 COMMITTEE SUBSTITUTE

11 An Act relating to economic development; creating the  
12 Reindustrialize Oklahoma Act of 2025; providing for  
13 alternative reference; declaring legislative  
14 findings; defining terms; providing for certain  
15 interpretations under certain conditions; creating  
16 certain investment rebate program until certain date;  
17 establishing qualifying criteria; providing capital  
18 expenditure and job creation thresholds for  
19 qualification; assigning administrative  
20 responsibilities for rebate program; requiring  
21 certain annual reporting of certain information;  
22 authorizing the promulgation of rules for  
23 implementation of program; establishing eligibility  
24 criteria; requiring certain application submissions  
and evaluations; disqualifying participation in  
certain program if participating in rebate program;  
providing methodology for certain calculations;  
authorizing issuances of ROA-25 investment rebate  
payments under certain conditions for certain period  
of years; limiting authorization to award payments;  
providing for ongoing review of eligibility;  
authorizing and limiting certain budgeting procedures  
related to encumbering funds; creating the ROA-25  
Revolving Fund and the ROA-25 Beneficiary Revolving  
Fund; establishing fund characteristics; deeming  
funds appropriated; requiring and limiting certain  
budgetary procedures related to utilization of funds;

1                   providing for transfer of unencumbered funds after  
2                   certain date; providing for codification; and  
3                   declaring an emergency.

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

5                   SECTION 1.        NEW LAW        A new section of law to be codified  
6                   in the Oklahoma Statutes as Section 3647.1 of Title 68, unless there  
7                   is created a duplication in numbering, reads as follows:

8                   A. This act shall be known and may be cited as the  
9                   "Reindustrialize Oklahoma Act of 2025" and shall be known and may be  
10                  cited as the "ROA-25 Act".

11                  B. The Legislature hereby finds that it is beneficial to the  
12                  state and its citizens to provide large-scale enhanced economic  
13                  development incentives to certain establishments, including, but  
14                  not limited to, those associated with an onshoring of  
15                  industrialization that creates a substantial number of jobs, as such  
16                  economic activity results in a greater benefit to the state.

17                  SECTION 2.        NEW LAW        A new section of law to be codified  
18                  in the Oklahoma Statutes as Section 3647.2 of Title 68, unless there  
19                  is created a duplication in numbering, reads as follows:

20                  As used in the Reindustrialize Oklahoma Act of 2025:

21                  1. "Application" means a submission of detailed information by  
22                  an establishment that complies with all procedures established by  
23                  the Oklahoma Department of Commerce related to the format, content,  
24                  means, and timing of submission. Such submissions shall include,

1 but not be limited to, a capital expenditure plan outlining  
2 anticipated annual placements-in-service of qualified property and a  
3 job creation plan outlining anticipated annual totals of new direct  
4 jobs created;

5       2. "Available funds" means the total amount of monies  
6 identified for deposit in the ROA-25 Beneficiary Revolving Fund by  
7 law, less the cumulative total of all ROA-25 investment rebate  
8 payments, pre-qualified ROA-25 investment rebate payments,  
9 encumbrances, and pre-encumbrances of the ROA-25 Beneficiary  
10 Revolving Fund;

11       3. "Establishment" means any business, no matter the legal  
12 form, including, but not limited to, a sole proprietorship,  
13 partnership, corporation, or limited liability corporation;

14       4. "New direct job" means full-time employment, employed by the  
15 establishment, which did not exist in this state prior to the date  
16 of approval, by the Oklahoma Department of Commerce, of an  
17 application made pursuant to this act. A job shall be deemed to  
18 exist in this state prior to approval of an application if the  
19 activities and functions for which the particular job exists have  
20 been ongoing at any time within six (6) months prior to such  
21 approval; and

22       5. "Qualified capital expenditure" means an expenditure on  
23 property in this state after May 1, 2025, depreciable under Internal  
24 Revenue Code, 26 U.S.C., Section 168, that has been verified by the

1 Oklahoma Department of Commerce. The cost of property placed in  
2 service and expenditures made on behalf of or for the benefit of an  
3 establishment by a separate business entity shall be considered an  
4 "expenditure" of the establishment for purposes of this definition.

5 SECTION 3. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 3647.3 of Title 68, unless there  
7 is created a duplication in numbering, reads as follows:

8 A. 1. There is hereby created until July 1, 2045, an ROA-25  
9 investment rebate program for the cost of qualified capital  
10 expenditures by establishments which create not less than a  
11 threshold number of new direct jobs as provided in this section.

12 2. The threshold number of new direct jobs required for  
13 establishments to qualify and remain qualified for investment rebate  
14 payments created in paragraph 1 of this subsection shall be seven  
15 hundred (700) new direct jobs in year one of the rebate payment  
16 period, with a threshold number of one thousand (1,000) beginning in  
17 year two and throughout the remainder of the rebate payment period.

18 B. The ROA-25 investment rebate program shall be administered  
19 by the Oklahoma Department of Commerce.

20 C. No later than October 1 of each year, the Oklahoma  
21 Department of Commerce shall submit electronically an annual report  
22 to the Speaker of the Oklahoma House of Representatives, the  
23 President Pro Tempore of the Oklahoma State Senate, the Chair of the  
24 Appropriations and Budget Committee of the Oklahoma House of

1 Representatives, the Chair of the Appropriations Committee of the  
2 Oklahoma State Senate, and the Executive Director of the Legislative  
3 Office of Fiscal Transparency detailing the program and ROA-25  
4 investment rebate payments.

5 D. The Oklahoma Department of Commerce and the State Treasurer  
6 may promulgate rules to implement the provisions of this act.

7       E. To be eligible for consideration for an ROA-25 investment  
8 rebate payment awarded under the provisions of this act, a primary  
9 establishment shall:

19           b. Establishment primarily engaged under Industry Sector  
20                          Nos. 31 through 33 of the NAICS Manual, latest  
21                          revision;

22        2. Be otherwise qualified to receive payments pursuant to the  
23 provisions of the Oklahoma Quality Jobs Program Act created pursuant  
24 to Section 3601 of Title 68 of the Oklahoma Statutes; and

1       3. Have filed all Oklahoma tax returns and tax documents  
2 required by law.

3           F. 1. Notwithstanding any other provision of law, if a primary  
4 establishment receives an ROA-25 investment rebate payment pursuant  
5 to the provisions of this act, neither the qualified establishment  
6 nor its subsidiaries shall be eligible to receive quarterly  
7 incentive payments provided for in Section 3601 et seq. of Title 68  
8 of the Oklahoma Statutes, in connection with the project or  
9 development for which the investment rebate payment was based.

10          2. Notwithstanding any other provision of law, no investment  
11 expenditure shall be utilized for calculation purposes in a way that  
12 results in the qualification of more than one establishment under  
13 the provisions of this act, for ROA-25 investment rebate payments  
14 based on the same expenditure.

15           G. 1. Except as limited by paragraph 2 of this subsection, the  
16 Oklahoma Department of Commerce shall approve or disapprove claims  
17 for rebates and issue ROA-25 investment rebate payments for all  
18 approved claims from funds held in the ROA-25 Beneficiary Revolving  
19 Fund created pursuant to Section 5 of this act and subject to the  
20 limitations set forth in Section 4 of this act.

21          2. The Department shall disapprove all applications and claims,  
22 as well as portions of applications and claims, for rebates that  
23 would exceed the anticipated accumulation of available funds in the  
24 ROA-25 Beneficiary Revolving Fund.

1 SECTION 4. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 3647.4 of Title 68, unless there  
3 is created a duplication in numbering, reads as follows:

4       A. Subject to the approval and ongoing review of the  
5 eligibility application by the Oklahoma Department of Commerce, the  
6 ROA-25 investment rebate payment authorized by this act shall be  
7 equal to one-fifteenth (1/15) of the payout value of the financial  
8 instrument purchased or acquired pursuant to Section 5 of this act;  
9 ROA-25 investment rebate payments in the same amount shall be  
10 allowed in each of the fifteen (15) subsequent years, provided the  
11 Department has verified that the establishment remains eligible for  
12 such payment in each successive year based on the eligibility  
13 criteria of this act.

14       B. The Oklahoma Department of Commerce is authorized to  
15 conditionally pre-qualify and account for anticipated future ROA-25  
16 investment rebate payments. The Oklahoma Department of Commerce  
17 shall not pre-qualify ROA-25 investment rebate payments, encumber  
18 funds, pre-encumber funds, or otherwise allocate resources in any  
19 way that would result in the allocation of ROA-25 investment rebate  
20 payments in excess of the anticipated accumulation of available  
21 funds in the ROA-25 Beneficiary Revolving Fund.

22 SECTION 5. NEW LAW A new section of law to be codified

23 in the Oklahoma Statutes as Section 3647.5 of Title 68, unless there  
24 is created a duplication in numbering, reads as follows:

1       A. There is hereby created in the State Treasury a revolving  
2 fund for the State Treasurer to be designated the "ROA-25 Revolving  
3 Fund". The fund shall be a continuing fund, not subject to fiscal  
4 year limitations, and shall consist of all monies lawfully directed  
5 for deposit to the fund. All monies accruing to the credit of said  
6 fund are hereby appropriated and upon communication from the  
7 Department of Commerce of a satisfactory feasibility study of such  
8 project participating in the Reindustrialize Oklahoma Act of 2025,  
9 shall be budgeted and expended by the State Treasurer for the  
10 purpose of purchasing or acquiring an annuity or materially similar  
11 financial instrument which shall provide to the ROA-25 Beneficiary  
12 Revolving Fund created by subsection B of this section equal annual  
13 distributions of monies over a fifteen-year period. Expenditures,  
14 transfers, and distributions from said fund shall be made upon  
15 warrants issued by the State Treasurer against claims filed as  
16 prescribed by law with the Director of the Office of Management and  
17 Enterprise Services for approval and payment, or as otherwise  
18 required to satisfy the requirements of this section.

19       B. There is hereby created in the State Treasury a beneficiary  
20 revolving fund for the Oklahoma Department of Commerce to be  
21 designated the "ROA-25 Beneficiary Revolving Fund". The fund shall  
22 be a continuing fund, not subject to fiscal year limitations, and  
23 shall consist of all distributions of the financial instrument  
24 financed through subsection A of this section. All monies accruing

1 to the credit of said beneficiary revolving fund are hereby  
2 appropriated and shall be budgeted, expended, and distributed by the  
3 Oklahoma Department of Commerce in accordance with the provisions of  
4 the Reindustrialize Oklahoma Act of 2025. Expenditures, transfers,  
5 and distributions from said fund shall be made upon warrants issued  
6 by the State Treasurer against claims filed as prescribed by law  
7 with the Director of the Office of Management and Enterprise  
8 Services for approval and payment.

9 C. The State Treasurer is authorized to establish a custodial  
10 account within the Treasury, and enter a contractual relationship  
11 for custodial account services with a private institution as needed,  
12 to administer the provisions of this section.

13 D. All unencumbered funds remaining in the Funds created in  
14 subsections A and B of this section on or after the expiration of  
15 the Reindustrialize Oklahoma Act of 2025 shall be transferred to the  
16 State Treasurer for deposit in the General Revenue Fund.

17 SECTION 6. It being immediately necessary for the preservation  
18 of the public peace, health or safety, an emergency is hereby  
19 declared to exist, by reason whereof this act shall take effect and  
20 be in full force from and after its passage and approval.

22 60-1-13813 JM 05/19/25