An Act

ENROLLED HOUSE BILL NO. 2578

By: Teague of the House

and

Rosino, Fry, Pugh, Kidd, Pittman, Scott, Leewright, Bergstrom, Dugger, Simpson, Floyd and Stanislawski of the Senate

An Act relating to state government; creating the Aerospace Commerce Economic Services (ACES) Act; providing short title; stating purpose; authorizing entity to employ certain programs and enter contracts; making certain provisions subject to availability of funds; stating primary goal; describing certain opportunities for the program to facilitate; establishing industry integrator; specifying certain integrator duties; requiring entity to be focal point of industry information; providing for center of applied research; requiring entity acquire expertise and provide consulting services; authorizing acceptance of certain funding; providing for codification; and providing an effective date.

SUBJECT: Aerospace Commerce Economic Services (ACES) Act

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

SECTION 1. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 5003.12 of Title 74, unless there is created a duplication in numbering, reads as follows:

A. This act shall be known and may be cited as the "Aerospace Commerce Economic Services Act".

- B. There is hereby created within the Oklahoma Department of Commerce, the Aerospace Commerce Economic Services (ACES), whose purpose shall be to create a partnership of service providers to more effectively respond to the needs of the aviation, aerospace and defense industries in the areas of education and training, research, and economic development. ACES will focus available resources to promote cooperation and collaboration among businesses, manufacturers, military installations, commercial aviation, educational institutions, nonprofit research institutions and state government for the purpose of strengthening the economy of the State of Oklahoma. Contingent upon the availability of funds, the Oklahoma Department of Commerce may employ established program processes or may contract with other qualified entities to operate ACES. The Department of Commerce shall partner with the Oklahoma Aeronautics Commission to implement the provisions of this act.
- C. ACES is designed to coordinate and integrate the various aerospace resources that currently exist within state and local agencies. The primary goal of ACES is to establish a common statewide strategy for the growth of the Oklahoma aerospace industry. ACES will focus the collective aerospace resources, all or new aerospace resources, to achieve one or more of the following objectives into an integrated, coordinated statewide effort that will:
- 1. Increase contracts between companies in the aviation, aerospace and defense industries in Oklahoma and the Department of Defense and its prime contractors;
 - 2. Create and retain more high-wage, high-skill jobs;
- 3. Strengthen collaborations between businesses and aviation, aerospace and defense interests;
- 4. Reduce the flow of federal defense contract dollars out of state;
- 5. Expand the aviation, aerospace and defense industries in Oklahoma;
 - 6. Provide engineering and technical assistance;
- 7. Provide more suppliers for Oklahoma military installations and the aviation, aerospace and defense industries;

- 8. Reduce costs for the Department of Defense and Oklahoma military installations and increase the competitiveness of aviation, aerospace and defense businesses in Oklahoma;
- 9. Create and align goals to grow aerospace business to a top industry in Oklahoma by providing a forum to bring agencies, industry and government together;
- 10. Enhance Oklahoma's supply chain utilization in the industry to fill existing gaps in supplier networks;
- 11. Develop a recruitment strategy to attract new businesses that reside or have a presence in Oklahoma; and
- 12. Create a forum for all aerospace stakeholders in Oklahoma to come together to pool ideas and resources to advance aerospace in the state. State aerospace stakeholders include but are not limited to Federal Aviation Administration, Veterans Administration, Tinker Air Force Base, all Oklahoma military installations, chambers of commerce, Oklahoma Space Industry Development Authority, Oklahoma Department of Commerce, Oklahoma State Regents for Higher Education, Oklahoma Aeronautics Commission, Small Business Administration, Unmanned Aerial Systems Cluster Initiative of Oklahoma and Kansas, Oklahoma Manufacturing Alliance, CareerTech, Oklahoma Center for the Advancement of Science and Technology, Governor's Unmanned Aerial Systems Alliance of Oklahoma, Unmanned Aerial Systems Council and Oklahoma Bid Assistance Network.
- D. ACES shall establish an Aerospace and Defense Industry Integrator. The integrator shall be used to engage key players from the government, academia and other key stakeholders to create an industry-wide vision and strategic map that details a plan to enhance the industry. The integrator shall initiate the following activities:
- 1. Assessing the current state of the industry, developing and defining a vision for the future of the industry;
- 2. Identifying supplier network gaps and developing solutions to fill those gaps;
- 3. Identifying funding requirements and developing funding opportunities; and

- 4. Establishing ongoing mechanisms to monitor activities and devising a process that includes the development and reporting of metrics to track and manage ongoing progress.
- E. In order to streamline the use of resources with the goal of eliminating duplication of efforts, ACES shall act as a facilitator for the collection and sharing of information and activities concerning the aviation, aerospace and defense industries. ACES shall provide coordination and assistance for the plans and activities of state agencies, task forces, departments, boards, commissions and other entities that have responsibilities or duties regarding the aviation, aerospace and defense industries with the goal of eliminating duplication of effort.
- F. ACES shall support and foster the growth of the aviation, aerospace and defense industries. ACES shall acquire aerospace executive expertise and provide consulting services to the aviation, aerospace and defense industries, government agencies and organizations across the State of Oklahoma in order to strengthen the policy framework, economic development initiatives and activities of the state.
- G. ACES may accept funding that includes, but is not limited to:
 - 1. Monetary contributions;
 - 2. Contractual arrangements;
 - 3. In-kind services;
 - 4. Federal- and state-appropriated dollars;
 - 5. Private and public foundation grants; and
 - 6. Fee-for-service products.
 - SECTION 2. This act shall become effective November 1, 2018.

Passed the House of Representatives the 3rd day of May, 2018. Presiding Officer of the House of Representatives Passed the Senate the 26th day of April, 2018. Presiding Officer of the Senate OFFICE OF THE GOVERNOR Received by the Office of the Governor this day of _____, 20____, at ____ o'clock ____ M. By: Approved by the Governor of the State of Oklahoma this day of _____, 20____, at ____ o'clock ____ M. Governor of the State of Oklahoma OFFICE OF THE SECRETARY OF STATE Received by the Office of the Secretary of State this day of _____, 20____, at ____ o'clock ____ M.