



**INCENTIVE EVALUATION COMMISSION
REGULAR MEETING MINUTES
JAN. 25, 2024; 10 a.m.
OKLAHOMA STATE CAPITOL
SENATE CONFERENCE ROOM 4S.9
OKLAHOMA CITY, OK 73105**

MEMBERS PRESENT:

Lyle Roggow, Chair designee of Select Oklahoma and Economic Development Partnership, Inc.
Carlos Johnson, CPA, appointed by the Oklahoma Accountancy Board
Earl Sears, appointed by the Speaker of the House of Representatives
Mark Wood, Chair of the Oklahoma Tax Commission, Ex-Officio; Non-Voting
Jon Chiappe, Secretary of Commerce designee, Ex-Officio; Non-Voting
John Suter, Secretary of Operations and Government Efficiency, the State COO, and Director of the Office of Management and Enterprise Services

MEMBER ABSENT:

Mandy Fuller, Auditor/CPA appointed by the Governor

VACANT:

Economist

STAFF/GUESTS:

Beverly Hicks, OMES
Christy Keen, OTC, Counsel
Randall Bauer, PFM
Lucy Poe, Sen. Kirt Intern
Kyndal Mitchell, Sen. Kirt Intern

◆ *Office of Management and Enterprise Services (OMES)* ◆ *Public Financial Management Group Consulting LLC (PFM)*
◆ *OK Tax Commission (OTC)*

1. Announcement of filing of meeting notice and posting of the agenda in accordance with the Open Meetings Act.

Chairman Roggow confirmed that the meeting notice was filed in accordance with the state law.

2. Call to order and establish a quorum.

Chairman Roggow called this regular meeting to order at 10:10 a.m. A roll call was taken, and a quorum was established. A meeting notice was filed with the Secretary of State, and the agenda was posted in accordance with the Open Meeting Act.

3. Approval of minutes from the December 7, 2023, Commission meeting:

Rep. Earl Sears moved to approve the meeting minutes for December. Carlos Johnson seconded the motion. The following votes were recorded, and the motion passed:

Mr. Johnson, aye; Mr. Roggow, aye; Mr. Sears, aye.

4. Discussion and possible action on election of Chairperson.

Carlos Johnson moved to elect Lyle Roggow as Chairman of the IEC for 2024. Rep. Earl Sears seconded the motion. The following votes were recorded, and the motion passed:

Mr. Johnson, aye; Mr. Roggow, aye; Mr. Sears, aye.

5. Discussion and possible action on election of Vice-Chairperson.

Rep. Earl Sears moved to elect Carlos Johnson as Vice-Chairman of the IEC for 2024. Lyle Roggow seconded the motion. The following votes were recorded, and the motion passed:

Mr. Johnson, aye; Mr. Roggow, aye; Mr. Sears, aye.

6. Discussion and possible action on setting fiscal impact threshold for incentive evaluations for the third, four-year cycle:

Rep. Earl Sears moved to approve setting the threshold amount at \$1 million for the third, four-year cycle of incentive evaluations, with the Commission reserving the right to review incentives below the threshold amount. Carlos Johnson seconded the motion. The following votes were recorded, and the motion passed:

Mr. Johnson, aye; Mr. Roggow, aye; Mr. Sears, aye.

7. Discussion and possible action on the 2024-2027 schedule for incentives to be evaluated or exempted from evaluation by PFM Consultant Randall Bauer:

Mr. Bauer, PFM Director provided an overview of project activities to date. He informed the Commission that the PFM project team welcomes back Senior Managing Consultant Joe Buckshon, who has replaced Deanna Kimball. Since being promoted to Senior Managing Consultant, Ellen Ramage, and Senior Analyst Trae Jordan have also been actively involved in the project. PFM Director Randy Bauer and subcontractor Dr. Ellen Harpel continue to be valuable team members.

Mr. Bauer reported that in response to recent changes, PFM, Chairman Roggow, and Commissioner Chiappe collaborated to develop a tentative four-year schedule for grouping incentives by year and category. The initiative aims to facilitate more consistent analysis and discussion during future evaluations.

Mr. Bauer indicated that there will be an overlap between categories; several incentives can affect more than one category. For instance, the Quick Action Closing Fund may offer benefits across multiple categories. Pooled Finance encompasses both capital investment and public infrastructure components. When categorizing themes by year, the categories may not share much in common, presenting a challenge in workload balancing. PFM is also attentive to the statutory requirement that financially impact incentives be considered in schedule development.

Mr. Bauer raised concerns about the need to evaluate new incentives before sufficient data is available. Therefore, such incentives will not be reviewed until adequate data is available. However, addressing all of these concerns immediately may not be feasible.

Mr. Bauer presented an overview of the 2024-2027 evaluation schedule provided to the members.

Chairman Roggow requested that the members of the criteria subcommittee, Mandy Fuller and Earl Sears, work with PFM to determine the incentive criteria for the 2024 schedule.

At the next meeting in March, Mr. Bauer announced that PFM would present the recommended criteria for the 2024 incentives the Commission accepted. PFM will also provide members with a background document that includes information on the incentive's characteristics, benchmarking it against other states that may offer similar incentives and statutory references.

Rep. Earl Sears moved to accept PFM's schedule and recommendation of incentives to be reviewed in 2024 and the 2024-2027 schedule as put forth at the meeting. Carlos Johnson seconded the motion. The following votes were recorded, and the motion passed:

Mr. Johnson, aye; Mr. Roggow, aye; Mr. Sears, aye.

8. Announcements:

Next meeting date –

The next Incentive Evaluation Commission meeting is March 21 at 10 a.m.

9. New Business. None.

10. Adjournment

There being no further business, Rep. Earl Sears made the motion to adjourn. Carlos Johnson seconded the motion. Seeing no opposition, the Chair adjourned the meeting at 10:59 a.m.