

INCENTIVE EVALUATION COMMISSION
Regular Meeting Minutes
Aug. 24, 2023; 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 Board of Accounting
Mandy Fuller, Auditor/CPA appointed by the Governor
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

MEMBERS ABSENT:

Dr. Robert Dauffenbach, an Economist appointed by the President Pro Tempore of the Senate

STAFF/GUESTS:

Beverly Hicks, OMES
Lorena Massey, OTC
Randall Bauer, PFM
Max McKnight, ODCTE
Amanda Hall, OK State Chamber
Jeremy Stoner, OFA

- ◆ *Office of Management and Enterprise Services (OMES)* ◆ *Public Financial Management Group Consulting LLC (PFM)*
- ◆ *OK Tax Commission (OTC)* ◆ *OK Department of Career and Technology Education (ODCTE)*
- ◆ *Oklahoma Finance Authority (OFA)*

1. Call to order and establish a quorum. [Lyle Roggow, chairman]:

Chairman Roggow called this regular meeting to order at 10:05 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.

2. Approval of minutes from the March 23, 2023, Commission meeting:

Rep. Earl Sears moved to approve the meeting minutes of January. Mandy Fuller seconded the motion. The following votes were recorded, and the motion passed:

Ms. Fuller, aye; Mr. Roggow, aye; Mr. Sears, aye.

3. Update on the evaluation process of 2023, Year-Eight incentives, by PFM Consultant, Randall Bauer: [Chair]

Mr. Bauer gave an update on this year's evaluation process of the eight incentives under review, the final year of the second four-year cycle. PFM provided members with rough drafts of the incentive evaluations that gave some foundation and updates from evaluations done four years prior without the findings and recommendations.

PFM plans to provide commission members at the end of September with a final draft report of the incentive evaluations that includes the findings and recommendations for the Commission's consideration at the October 12th meeting.

On October 26th, a public hearing will take place, providing public input on the consultant's draft incentive evaluation reports for the Commission to consider before coming to a final decision at the November 16th meeting.

Mr. Bauer informed members that the last meeting of the year on December 7th will differ from the previous years due to changes made in Senate Bill 745, amending the statute. In addition to the final report being submitted to the Governor, President Pro Tempore, and the Speaker of the House by December 15th, the members now must provide a review of prior commission recommendations and changes to statute of said administration related to the incentive evaluations recommendations. This means the members must inform whether the administering agencies or the Legislature have undertaken changes that align with the Commission's recommendations.

Mr. Bauer informed of another change where, in prior years, at the last meeting of the year in December, PFM presented the Commission with a new schedule of the next four years of what would be evaluated, where incentives had to be evaluated at least once every four years. Historically, once the schedule was set, you could move incentives up but never back in the schedule. That section was removed from the statute. Now, the members must review every incentive once within the four-year cycle. In the next cycle that starts in 2024 – 2027, each eligible incentive under the statute's definition must be reviewed within those four years, but it does not matter when they were last reviewed. The new cycle will be put together by the awarded consultant for the new 2024-2027 cycle and is expected to be presented to the Commission in January next year.

Commissioner Johnson entered the meeting at 10:08 a.m.

4. Update on SB 745 IEC statute change:

Chairman Roggow gave some history on Senate Bill 745, authored by Senator Coleman and Representative Hilbert, passed by the Legislature, that became effective upon Governor Stitt's signing on April 28, 2023, and expressed his support of those amendments made in the statute.

5. Discussion and vote to authorize OMES to start the RFP process on the IEC consultant contract on the process for the third cycle. [Chair]

Rep. Earl Sears moved to approve and authorize OMES to move forward with the RFP process for the evaluation of the next consultant. Mandy Fuller seconded the motion. The following votes were recorded, and the motion passed:

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

6. New Business. [Chair]

There was no unforeseen new business reported.

7. Announcements: Next meeting date.

Chairman Roggow announced the next commission meeting date being October 12th at 10 a.m.

8. Adjournment

There being no further business, Rep. Earl Sears made the motion to adjourn. Mandy Fuller seconded the motion. Seeing no opposition, the Chair adjourned the meeting at 10:31 a.m.