



Oklahoma Incentive Evaluation Commission

Incentive Evaluation Update

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Today's Agenda

- Discussion of activities since the last Commission meeting.
- Timeline for the incentive evaluation process.
- Next steps.



Introduction

- The following are the incentives under review in 2023:
 - Economic Development Pooled Finance
 - Railroad Reconstruction or Replacement Expenditures
 - The Oklahoma Local Development and Enterprise Zone Incentive Leverage Act
 - Training for Industry Program (TIP)
 - Rural Economic Action Plan
 - Aircraft Facilities Sales Tax Exemption
 - Computer Services and Data Processing Tax Exemption
 - Construction Materials Tax Refund
- This is the fourth and final year of the cycle.
- The (since revised) statute required more impactful incentives to be reviewed earlier in the process, so this set, while important, is smaller in terms of overall dollar value of the incentives.



Activities since the March Commission meeting

- Data and information request was submitted to the internal administering agencies in early April.
- Worked with the administering agencies to complete the data request. There are a few remaining follow-on items, but they are minor.
- On-site internal stakeholder meetings were held June 6-7.
- Additional stakeholder meetings were held on July 25.
- External stakeholder on-site meetings with the State, Oklahoma City, and Tulsa Chambers of Commerce were held on July 25.
- Members of the project team visited two REAP community recipients on July 26.
- Randall Bauer participated in a Department of Commerce tour and informational meetings for Pooled Finance recipients on July 26-27.
- A users survey for the REAP program was conducted in July.



Next Steps

- The project team is available to answer any questions or comments from the Commission members related to the submitted working drafts.
- The draft evaluations will be provided to the Commission prior to October 1 (which is a Sunday).
- PFM will present the findings and recommendations from the draft evaluations at the Commission meeting on October 12th.
- As in past years, PFM will be present at the public hearing (scheduled for October 26th).
- PFM will then provide final evaluations to the Commission.
- PFM will be available to answer questions/make comments at the Commission's decision-making meeting on November 16th.
- PFM will also be available to answer questions/make comments at the final Commission meeting of the year, on December 7th



Next Steps (continued)

- The December 7th meeting contents will be impacted by the passage of SB 745.
- For the first time, there is a requirement that, by December 15th, the Commission provide to the Legislature and Governor ‘a review of prior Commission recommendations, and changes to statute or incentive administration related to incentive evaluation recommendations . . .’
- This will require reviewing statutes and administrative processes, which PFM will do.
- One requirement has been lifted – to establish the schedule for incentive review by January 1.
- Now, the four-year schedule will have to be established by the Commission, but there is no ‘date certain.’
- That makes sense for next year, as if there is a new evaluator, they will likely want to work with the Commission to establish the new four-year cycle.



Questions and Discussion