

## BILL SUMMARY

2<sup>nd</sup> Session of the 59<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 1399</b>
<b>Version:</b>	<b>Proposed Committee Substitute 1</b>
<b>Request Number:</b>	<b>10815</b>
<b>Author:</b>	<b>Rep. McBride/ Sen. Hall</b>
<b>Date:</b>	<b>4/10/2024</b>
<b>Impact:</b>	<b>FY-29 and thereafter: \$50 Million Sales Tax Apportionment State Treasurer: OCIA administrative costs</b>

### Research Analysis

The proposed committee substitute to engrossed SB 1399 creates the Oklahoma Capital Assets Maintenance and Protection Fund. Beginning FY 29 and every fiscal year after, \$50 million is to be apportioned in the Oklahoma Capital Assets Maintenance and Protection Fund.

Additionally, the 11 member Oklahoma Capital Assets Management and Protection (OCAMP) Board is created. The purpose of the OCAMP Board is to develop plans and direct the Oklahoma Capitol Improvement Authority on the utilization of the Oklahoma Capital Assets Maintenance and Protection Fund. The OCAMP Board is to develop three different five-year plans that outline how to maintain and repair state-owned properties and buildings for: public institutions of higher learning; state parks operated by the Oklahoma Tourism and Recreation Department; and all other state-owned properties and buildings. A funding scale for each five-year plan is outlined in the measure.

The Oklahoma Capitol Improvement Authority must submit an annual report to the Governor and legislative leadership detailing the expenditures, deposits, and investment returns of the Oklahoma Capital Assets Maintenance and Protection Fund.

Prepared By: Keana Swadley

### Fiscal Analysis

SB 1399 in its current form creates the Oklahoma Capital Assets Maintenance and Protection Act (OCAMP) to address differed maintenance of Higher Education, Tourism, and State Agency facilities.

*Section 1:* names the Act the Oklahoma Capital Assets Maintenance and Protection Act;

*Section 2:* creates the Oklahoma Capital Assets Maintenance and Protection Fund (OCAMP Fund), a revolving fund administered by the Oklahoma Capitol Improvement Authority under the direction of the OCAMP Board.

*Section 3:* creates the Oklahoma Capital Assets management and Protection Board (OCAMP Board) and requires the Board to develop and maintain three separate Five-year differed maintenance plan, and allocate funding as follows:

- 52% to the OCAMP-Higher Education Five-year Plan,
- 24% to the OCAMP-Tourism and Recreation Five year Plan, and
- 24% to the OCAMP-State Five-year Plan.

The measure provides that the OCAMP-Higher Education allocation of 52% be further allocated as follows: 52% to public four-year research institution projects, 25% to public four-year non-research institution projects, 20% to two-year institution projects.

*Section 4:* implements a \$50 Million annual sales tax apportionment to OCAMP Fund beginning in FY-2029. Such apportionment will reduce available sales tax collections available for state budgeting beginning in FY-29.

The measure likely anticipates a direct appropriation to the OCAMP Fund to initially start the program and fund it until the apportionment begins in FY-29. The amount or likelihood of such direct appropriation is currently unknown.

OCIA will likely incur administrative costs related to their required administrative efforts under OCAMP; therefore, an appropriation increase to the State Treasurer's Office to fund OCIA's efforts may be necessary.

Prepared By: John McPhetridge, House Fiscal Director

### **Other Considerations**

None.