

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 HOUSE BILL 2838

By: Burns

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5  
6 AS INTRODUCED

7 An Act relating to agricultural economic development;  
8 enacting the Oklahoma Certified Meat Processing  
9 Facility Incentive Act of 2025; providing for  
10 creation of the Oklahoma Certified Meat Processing  
11 Facility Incentive Approval Board; prescribing  
12 membership; providing for eligibility of entity for  
13 incentive payments; imposing requirements and  
14 restrictions with respect to equity ownership;  
15 providing for repayment of incentives under certain  
16 circumstances; authorizing State Auditor and  
17 Inspector to conduct audit of books and records;  
18 authorizing audit by third party; requiring certain  
19 characterization of incentive payments for purposes  
20 of repayment requirements; providing for enforcement  
21 and collection of incentive repayment by Oklahoma Tax  
22 Commission; imposing requirements with respect to  
23 processing facility inputs; creating the Oklahoma  
24 Certified Meat Processing Facility Incentive  
Revolving Fund; providing for sources of revenue;  
prescribing purpose of fund; providing for  
expenditures from fund; providing for  
noncodification; providing for codification;  
providing an effective date; and declaring an  
emergency.

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

SECTION 1. NEW LAW A new section of law not to be  
codified in the Oklahoma Statutes reads as follows:

1 This act shall be known and may be cited as the "Oklahoma  
2 Certified Meat Processing Facility Incentive Act of 2025".

3 SECTION 2. NEW LAW A new section of law to be codified  
4 in the Oklahoma Statutes as Section 2121 of Title 62, unless there  
5 is created a duplication in numbering, reads as follows:

6 A. There is hereby created the Oklahoma Certified Meat  
7 Processing Facility Incentive Approval Board. The Board shall  
8 consist of the following persons:

9 1. Three persons to be appointed by the Governor;

10 2. The Chair of the standing committee of the Oklahoma House of  
11 Representatives having primary jurisdiction with respect to  
12 legislation affecting agriculture or agricultural products;

13 3. The Chair of the standing committee of the Oklahoma State  
14 Senate having primary jurisdiction with respect to legislation  
15 affecting agriculture or agricultural products;

16 4. One person to be selected by the Chair of the committee of  
17 the Oklahoma House of Representatives having primary jurisdiction  
18 with respect to legislation affecting agriculture or agricultural  
19 products; and

20 5. One person to be selected by the Chair of the standing  
21 committee of the Oklahoma State Senate having primary jurisdiction  
22 with respect to legislation affecting agriculture or agricultural  
23 products.

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1 B. In order to be eligible for any payment of funds from the  
2 Oklahoma Certified Meat Processing Facility Incentive Revolving  
3 Fund, an otherwise eligible business entity shall:

4 1. Be organized pursuant to the laws of any state of the United  
5 States of America;

6 2. Not allow the majority of its equity interest to be owned  
7 by:

8 a. a natural person who is not a citizen of the United  
9 States,

10 b. a legal entity which is not an entity organized under  
11 the laws of any of the states of the United States,

12 c. a legal entity, regardless of the state of its  
13 formation, the majority equity interest of which is  
14 owned by natural persons who are not United States  
15 citizens,

16 d. a legal entity, regardless of the state of its  
17 formation, the majority equity interest of which is  
18 owned by an entity or entities the majority equity  
19 interest of which is itself owned by one or more  
20 natural persons who are not United States citizens,  
21 and

22 e. a legal entity, regardless of the state of its  
23 formation, the majority equity interest of which is  
24 owned by any combination of natural persons who are

1 not United States citizens and other legal entities if  
2 the majority equity interest of any one or more of  
3 such entities is owned either by a natural person or  
4 persons who are not United States citizens or if the  
5 majority equity interest of any one or more of such  
6 other legal entities is controlled, directly or  
7 indirectly, by natural persons who are not United  
8 States citizens; and

9 3. Use at least fifty percent (50%) of inputs in the processing  
10 facility acquired from either a resident of the state or a legal  
11 entity the majority equity interest of which is owned by one or more  
12 residents of the state or a combination of natural persons who are  
13 residents of the state and other legal entities the controlling  
14 equity interest of which is owned, directly or indirectly, by one or  
15 more residents of the state.

16 C. As used in this section, "majority equity interest" means  
17 the shares or equivalent evidence of equity ownership in the entity  
18 with voting rights having the power to select a board of directors  
19 or an equivalent governing body for the entity.

20 D. If an entity receives funds pursuant to the provisions of  
21 this act and pursuant to an audit of the books and records of the  
22 entity it is determined that the restrictions regarding alien  
23 ownership of the voting equity interest have been violated, the  
24 amount of incentives paid to the entity shall become the equivalent

1 of a state tax owed by the entity and the Oklahoma Tax Commission  
2 shall have all of the same procedures and remedies to enforce the  
3 repayment of the incentive amount in the same manner as with respect  
4 to any other state tax liability, including, but not limited to, the  
5 provisions of the Uniform Tax Procedure Code.

6 E. The State Auditor and Inspector shall have the right to  
7 examine the books and records of any entity receiving incentive  
8 payments pursuant to the provisions of this act in order to enforce  
9 the provisions of subsection B of this section and to assist in the  
10 enforcement of the liabilities as described in subsection C of this  
11 section. Any entity receiving incentive payments pursuant to the  
12 provisions of this act shall provide access to its books and records  
13 to the State Auditor and Inspector or to any third-party auditor  
14 engaged by the State Auditor and Inspector in order to enforce the  
15 provisions of subsection B and subsection C of this section.

16 SECTION 3. NEW LAW A new section of law to be codified  
17 in the Oklahoma Statutes as Section 2122 of Title 62, unless there  
18 is created a duplication in numbering, reads as follows:

19 There is hereby created in the State Treasury a revolving fund  
20 for the Oklahoma Department of Agriculture, Food, and Forestry to be  
21 designated the "Oklahoma Certified Meat Processing Facility  
22 Incentive Revolving Fund". The fund shall be a continuing fund, not  
23 subject to fiscal year limitations, and shall consist of all monies  
24 received by the Oklahoma Department of Agriculture, Food, and

1 Forestry from such sources as may be provided by law. All monies  
2 accruing to the credit of said fund are hereby appropriated and may  
3 be budgeted and expended by the Oklahoma Department of Agriculture,  
4 Food, and Forestry for the purpose of providing incentives to  
5 qualified entities to acquire and operate or to operate facilities  
6 for the processing of certified meat produced within the state.  
7 Expenditures from said fund shall be made upon warrants issued by  
8 the State Treasurer against claims filed as prescribed by law with  
9 the Director of the Office of Management and Enterprise Services for  
10 approval and payment.

11 SECTION 4. This act shall become effective July 1, 2025.

12 SECTION 5. It being immediately necessary for the preservation  
13 of the public peace, health or safety, an emergency is hereby  
14 declared to exist, by reason whereof this act shall take effect and  
15 be in full force from and after its passage and approval.

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