



OFFICE OF

No. SB 1595

**THE GOVERNOR**  
STATE OF OKLAHOMA

OKLAHOMA CITY, OKLA.,

May 21, 2020

TIME SIGNED: 4:16 pm

TO THE HONORABLE PRESIDENT PRO TEMPORE  
AND MEMBERS OF THE OKLAHOMA STATE SENATE  
SECOND REGULAR SESSION OF THE  
FIFTY SEVENTH OKLAHOMA LEGISLATURE

ENROLLED SENATE BILL NO. 1595:

This is to advise you that on this date pursuant to the authority vested in me by Section 11 of Article VI of the Oklahoma Constitution to approve or object to legislation presented to me, I have vetoed Senate Bill 1595.

Senate Bill 1595 created new language in Section 1 to prevent companies from losing the constitutionally created manufacturing ad valorem tax exemption due to job loss from COVID-19. However, Section 2 repealed the entire statutory framework for the exemption including the new language.

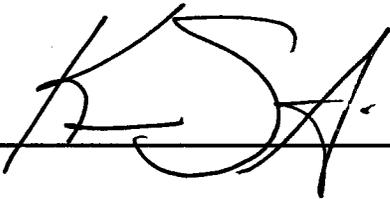
Since this bill was passed with little discussion or debate late Friday night, my office has heard from stakeholders that have invested hundreds of millions of dollars in Oklahoma with concerns about how Senate Bill 1595 could prevent them from receiving this exemption. Further, my office has also heard from countless legislators that have expressed their regrets of voting for this measure as they weren't fully aware of what Section 2 did to this exemption.

This exemption is a critical tool in attracting new business to Oklahoma. According to the Oklahoma Tax Commission, the exemptions claimed are estimated to be associated with at least \$13.43 billion in qualifying capital investment activities and more than 75,000 jobs in Oklahoma over the past five years. Furthermore, this exemption is offered by the majority of states, including all states surrounding Oklahoma.

I do have concerns that this exemption has grown from its original intent and reforms are needed so that the State is not obligated to pay for projects that aren't bringing with them a positive benefit for the State. However, I do not feel comfortable changing the rules for businesses without robust conversations in which businesses can come to the table and be a part of the solution. I now call on the business community, the legislature and my office to work together to make sure that this exemption works for all of Oklahoma. To companies across the state and the world, Oklahoma is open for business.

For the aforementioned reasons, I have vetoed Senate Bill 1595.

BY THE GOVERNOR OF THE STATE OF OKLAHOMA

  
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By Becky Welch

Date/Time May 21, 2020 4:43pm

Delivered to the Senate: 5/21/2020 4:40pm

RECEIVED  
MAY 21 2020  
OKLAHOMA SECRETARY  
OF STATE  
A. Canton @ 5:04pm