ENROLLED HOUSE JOINT 1025

ENACTED BY THE SECOND REGULAR SESSION OF THE

48TH LEGISLATURE OF THE STATE OF OKLAHOMA

NUMBERED BY THE SECRETARY OF STATE

STATE QUESTION NUMBER 697

LEGISLATIVE REFERENDUM NUMBER 324

RECEIVED: MAY 17, 2001

Resolution

ENROLLED HOUSE
JOINT
RESOLUTION NO. 1025

By: Benson and Deutschendorf of the House

and

Maddox of the Senate

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 6B of Article X of the Constitution of the State of Oklahoma; modifying authorized use of certain amounts of ad valorem revenue by counties; authorizing use of certain portion of county ad valorem revenue for economic development; providing for approval by voters of county; providing for direct apportionment of revenue derived from levies by other taxing jurisdictions; specifying exempt property subject to provisions related to specialized use of ad valorem revenue; providing ballot title; and directing filing

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES AND THE SENATE OF THE 1ST SESSION OF THE 48TH OKLAHOMA LEGISLATURE:

SECTION 1. The Secretary of State shall refer to the people for their approval or rejection, as and in the manner provided by law, the following proposed amendment to Section 6B of Article X of the Constitution of the State of Oklahoma to read as follows:

Section 6B. A. For the purpose of inducing any manufacturing concern to locate or expand manufacturing facilities within any county of this state, a qualifying manufacturing concern shall be exempt from the levy of any ad valorem taxes upon new, expanded or acquired manufacturing facilities for a period of five (5) years.

B. For purposes of this section, a "qualifying manufacturing concern" means a concern that:

1. Is not engaged in business in this state or does not have property subject to ad valorem tax in this state and constructs a manufacturing facility in this state or acquires an existing facility that has been unoccupied for a period of twelve (12) months prior to acquisition; or

2. Is engaged in business in this state or has property subject to ad valorem tax in this state and constructs a manufacturing facility in this state at a different location from present facilities and continues to operate all of its facilities or acquires an existing facility that has been unoccupied for a period

of twelve (12) months prior to acquisition and continues to operate all of its facilities.

C. The exemption allowed by this section shall apply to expansions of existing facilities. Provided, however that any exemption shall be limited to the increase in ad valorem taxes directly attributable to the expansion.

D. The Legislature shall define the term "manufacturing facility" for purposes of the ad valorem tax exemption provided by this section in order to promote full employment of labor resources within the state; provided, however, that a manufacturing facility that qualifies for the ad valorem tax exemption provided by this section, pursuant to the definition of "manufacturing facility" then applicable, shall be eligible for the exemption without regard to subsequent changes in the definition of the term "manufacturing facility".

E. The Legislature shall enact laws to carry out the provisions of this section and to provide for the reimbursement to common schools, county governments, cities and towns, emergency medical services districts, vocational-technical schools, junior colleges, county health departments and libraries for revenues lost to such entities as a result of the exemption provided by this section.

F. The assessed valuation of property exempt from taxation by virtue of this section shall be added to the assessed valuation of taxable property in computing the limit on indebtedness of political subdivisions contained in Section 26 of this article.

G. Pursuant to an affirmative vote of a majority of the eligible voters of the county at an election for such purpose which may be called by the county commissioners of each county, after the expiration of the period prescribed by this section for the exemption, a county may retain not to exceed twenty-five percent (25%) of the increased ad valorem taxes derived from the levy imposed by the county upon the taxable value of property previously exempt pursuant to this section. The revenue retained by the county pursuant to this subsection may be used by the county as an economic development incentive to attract additional investment which will result in additional employment in the county. Only ad valorem tax revenue derived from ten (10) mills of the total ad valorem tax levy imposed by the county may be used for this purpose. The ad valorem tax revenue derived from the levy imposed by any other taxing jurisdiction shall be apportioned as otherwise required by law. The provisions of this subsection shall be applicable to qualified manufacturing concerns exempt prior to the adoption of the amendment contained in this subsection and which become taxable, either by expiration of the exemption period or for other reasons, on or after the date as of which the provisions of this subsection become law and to qualified manufacturing concerns which are exempt for the first time on or after the date of the adoption of the amendment contained in this subsection and which subsequently become taxable.

SECTION 2. The Ballot Title for the proposed Constitutional amendment as set forth in SECTION 1 of this resolution shall be in the following form:

BALLOT TITLE

Legislative Referendum No. ____ State Question No. ____

THE GIST OF THE PROPOSITION IS AS FOLLOWS:

This measure amends the Oklahoma Constitution. It amends Section 6B of Article 10. Businesses pay property tax on business property. Some kinds of business can have an exemption from property tax. The exemption can last up to five years. After the exemption is over, the business pays property tax on its property. Property tax is used by local governments. Counties use property tax. If this measure passes, an election could be called. Voters could change the way county property tax is used. If voters approved, some county property tax could be used for economic development. A county could use no more than one-fourth of some property tax this way. Only one-fourth of property tax from previously exempt business property could be used this way. This part of county property tax could be used for other economic development purposes. Only property tax a county receives could be used in this way. Other local governments that receive property tax would get the full amount of property tax from business property.

SHALL THIS AMENDMENT BE APPROVED BY THE PEOPLE?

☐ YES, FOR THE AMENDMENT

☐ NO, AGAINST THE AMENDMENT

SECTION 3. The Chief Clerk of the House of Representatives, immediately after the passage of this resolution, shall prepare and file one copy thereof, including the Ballot Title set forth in SECTION 2 hereof, with the Secretary of State and one copy with the Attorney General

Passed the House of Representatives the 16th day of May, 2001.

Presiding Officer of the House of Representatives

Passed the Senate the 16th day of May, 2001.

Presiding Officer of the Senate

OFFICE OF THE SECRETARY OF STATE

Received by the Secretary of State this 17th

day of May **20**01,

at 4:45, **o'clock** P. **M.**

By: Michael Hunter

OFFICE OF ATTORNEY GENERAL
STATE OF OKLAHOMA

RECEIVED
JUN 12 2001
OKLAHOMA SECRETARY OF STATE

June 8, 2001

Mr. Mike Hunter, Secretary of State
Office of the Secretary of State
101 State Capitol Building
Oklahoma City, OK 73105

The Honorable Stratton Taylor
President Pro Tempore
422 State Capitol Building
Oklahoma City, OK 73105

The Honorable Larry Adair
Speaker of the House of Representatives
401 State Capitol Building
Oklahoma City, OK 73105

Re: Ballot Title for State Question 697 Legislative Referendum No. 324

Gentlemen:

We have, in accordance with 34 O.S. Supp 2000, § 9(C), reviewed the Ballot Title for the above-referenced State Question and conclude that the Ballot Title does not comply with the requirements of 34 O.S. Supp. 2000, § 9. Accordingly, we have, as required, prepared a Substitute Ballot Title. As a Title 34 Ballot Title review, the following does not constitute an Attorney General's opinion on the merits or constitutionality of the underlying changes in law. The Substitute Ballot Title reads as follows:

Substitute Ballot Title

This measure amends the Oklahoma Constitution. It amends Section 6B of Article 10. Businesses pay property tax on business property. Some kinds of business have an exemption from property tax for up to five years. After the exemption expires, the business pays property tax. Property taxes are used to support Counties and other local governments. If this measure passes, an election could be called. If voters approve, up to one-fourth of county property tax from previously exempt business property could be

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used for economic development. Only property tax a county receives could be used in this way. Other local governments that receive property tax would get their full amount of property tax from business property.

SHALL THE PROPOSAL BE APPROVED?

FOR THE PROPOSAL _____ YES

AGAINST THE PROPOSAL _____ NO

Respectfully submitted,

W. A. DREW EDMONDSON
ATTORNEY GENERAL

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