

1 ENGROSSED HOUSE
2 BILL NO. 3114

By: Peterson (Ron) and Jett of
the House

3 and

4 Mazzei of the Senate

5
6
7 (workforce incentives - Oklahoma Workforce
8 Incentives Act of 2008 - noncodification -
9 effective date)

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

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

15 This act shall be known and may be cited as the "Oklahoma
16 Workforce Incentives Act of 2008".

17 SECTION 2. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 2357.301 of Title 68, unless
19 there is created a duplication in numbering, reads as follows:

20 A. As used in this section:

21 1. "Eligible employers" means a business entity primarily
22 engaged in the sale of goods or services in one of the following
23 categories:

24 a. aerospace,

- b. energy,
- c. advanced manufacturing and processing,
- d. biotechnology,
- e. information technology, and
- f. health care;

2. "Tier 1 qualified employees" means:

- a. engineers employed by an eligible employer described by subparagraph a, b or c of paragraph 1 of this subsection for the first time in the state within five (5) years of graduation from an institution of higher education or within five (5) years of the successful completion of a training program for the specific employment in which the employee is engaged and whose compensation is equal to or in excess of the Tier 1 qualified compensation amount, and
- b. scientists employed by an eligible employer described by subparagraph a, b, c, d, e or f of paragraph 1 of this subsection for the first time in the state within five (5) years of graduation from an institution of higher education or within five (5) years of the successful completion of a training program for the specific employment in which the employee is engaged and whose compensation is equal to or in excess of the Tier 1 qualified compensation amount;

1 3. "Tier 1 qualified compensation amount" means Sixty Thousand
2 Dollars (\$60,000.00) annually including employer-provided health
3 care benefits;

4 4. "Tier 2 qualified employees" means:

- 5 a. technologists employed by an eligible employer
6 described by subparagraph a, b, c, d, e or f of
7 paragraph 1 of this subsection for the first time in
8 the state within five (5) years of graduation from an
9 institution of higher education or within five (5)
10 years of the successful completion of a training
11 program for the specific employment in which the
12 employee is engaged and whose compensation is equal to
13 or in excess of the Tier 2 qualified compensation
14 amount,
- 15 b. professional service providers employed by an eligible
16 employer described by subparagraph b or c of paragraph
17 1 of this subsection for the first time in the state
18 within five (5) years of graduation from an
19 institution of higher education or within five (5)
20 years of the successful completion of a training
21 program for the specific employment in which the
22 employee is engaged and whose compensation is equal to
23 or in excess of the Tier 2 qualified compensation
24 amount, and

1 c. welders employed by an eligible employer described by
2 subparagraph a, b or c of paragraph 1 of this
3 subsection for the first time in the state within five
4 (5) years of graduation from an institution of higher
5 education or within five (5) years of the successful
6 completion of a training program for the specific
7 employment in which the employee is engaged and whose
8 compensation is equal to or in excess of the Tier 2
9 qualified compensation amount; and

10 5. "Tier 2 qualified compensation amount" means Forty Thousand
11 Dollars (\$40,000.00) annually including employer-provided health
12 care benefits.

13 B. For taxable years beginning after December 31, 2008, and
14 ending not later than December 31, 2013, there shall be allowed to
15 either a Tier 1 qualified employee or a Tier 2 qualified employee a
16 credit against the tax imposed pursuant to Section 2355 of Title 68
17 of the Oklahoma Statutes:

18 1. In the amount of Six Thousand Dollars (\$6,000.00) per
19 taxable year for a Tier 1 qualified employee regardless of filing
20 status; or

21 2. In the amount of Three Thousand Dollars (\$3,000.00) per
22 taxable year for a Tier 2 qualified employee regardless of filing
23 status.

1 C. The total amount of all credits that may be claimed pursuant
2 to this section shall not exceed Three Million Five Hundred Thousand
3 Dollars (\$3,500,000.00) per fiscal year. The limitation imposed by
4 this subsection shall be allocated between employees from the Tier 1
5 category and employees from the Tier 2 category as follows:

6 1. Two Million One Hundred Thousand Dollars (\$2,100,000.00) for
7 all Tier 1 tax credit claimants; and

8 2. One Million Four Hundred Thousand Dollars (\$1,400,000.00)
9 for all Tier 2 tax credit claimants.

10 D. The Oklahoma Department of Commerce shall identify and
11 certify all persons who are eligible to claim the tax credit
12 authorized by this section to the Oklahoma Tax Commission on an
13 annual basis and upon request for current information as may be
14 requested by the Tax Commission.

15 E. The Oklahoma Department of Commerce shall conduct a study to
16 determine the economic benefit resulting from the allowance of the
17 tax credit authorized by this section. The results of the study
18 shall be prepared in the form of an annual report which shall be
19 submitted to the Governor, the Speaker of the Oklahoma House of
20 Representatives and the President Pro Tempore of the Oklahoma State
21 Senate not later than January 31 each year summarizing the economic
22 impact of the tax credit program during the preceding calendar year.

23 SECTION 3. This act shall become effective January 1, 2009.
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1 Passed the House of Representatives the 11th day of March, 2008.

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4 Presiding Officer of the House of
Representatives

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6 Passed the Senate the ____ day of _____, 2008.

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9 Presiding Officer of the Senate