

1 STATE OF OKLAHOMA

2 1st Session of the 52nd Legislature (2009)

3 SENATE BILL 1172

By: Leftwich

4
5
6 AS INTRODUCED

7 An Act relating to labor; creating the Oklahoma
8 Recently Unemployed Worker Training Fund Act of 2009;
9 stating legislative findings; establishing the Fund
10 assessment rate reduction for certain employers;
11 limiting rate reduction for certain employers;
12 providing exception; creating the Recently Unemployed
13 Worker Training Fund; providing for appropriation,
14 budgeting, expenditure and purpose of Fund; providing
15 for certain payments from Fund; stating purposes
16 monies from the Fund shall be used for; making the
17 State Treasurer the custodian and treasurer of the
18 Fund; requiring the Treasurer to deposit certain
19 monies; authorizing the Treasurer to take certain
20 actions with certain monies, properties or securities
21 with the approval of the Oklahoma Department of
22 Commerce; making certain investment requirements for
23 certain monies; providing for certain assessments for
24 certain employers; stating assessments shall be in
addition to certain contributions; stating certain
assessment shall not be considered part of certain
contribution or for certain purposes; providing for
assessment rates for certain employers; providing
certain exemptions; providing for assessment to be
made, collected and deposited; requiring the Chief
Financial Officer of the Oklahoma Employment Security
Commission to monitor the collection of the
assessment; requiring the deposit of certain monies
in certain fund when collections reach a certain
amount; authorizing the Commission to promulgate
certain rules; defining terms; restricting the use of
certain grant funds; requiring the Oklahoma
Department of Commerce to develop certain grant
application form; providing certain content of form;
requiring the match of grant funds; authorizing
certain forms of matches for the grants; providing

1 for training for certain workers; authorizing the
2 payment of certain grants for certain purposes;
3 stating certain expenses will not be reimbursed;
4 requiring certain records be made available for
5 certain review; providing for application for grants;
6 providing for awarding of grants; providing for
7 noncodification; providing for codification; and
8 providing an effective date.

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

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

12 This act shall be known and may be cited as the "Oklahoma
13 Recently Unemployed Worker Training Fund Act of 2009".

14 SECTION 2. NEW LAW A new section of law not to be
15 codified in the Oklahoma Statutes reads as follows:

16 The Oklahoma Legislature finds that a recently unemployed worker
17 training fund is necessary for the economic well being of workers
18 and employers in Oklahoma. The Recently Unemployed Worker Training
19 Fund created by this act will provide funds to pay for training that
20 will update the skills of recently unemployed workers with the goals
21 of reemployment of Oklahomans and increasing the economic strength
22 of the state.

23 SECTION 3. NEW LAW A new section of law to be codified
24 in the Oklahoma Statutes as Section 3-109.4 of Title 40, unless
there is created a duplication in numbering, reads as follows:

1 Notwithstanding the provisions of Sections 3-103, 3-109, 3-110,
2 and 3-113 of Title 40 of the Oklahoma Statutes, for the tax year
3 beginning on January 1, 2010, and ending on December 31, 2010, the
4 contribution rate assigned to an employer shall be reduced by two
5 percent (2%). Provided, the tax rate of employers assigned a tax
6 rate pursuant to Sections 3-103 and 3-110 of Title 40 of the
7 Oklahoma Statutes shall not be reduced to less than one percent
8 (1%). Provided further, employers who qualify for an earned rate
9 calculated pursuant to Section 3-109 of Title 40 of the Oklahoma
10 Statutes, and are given the highest rate in the rate scale, shall
11 not be eligible for the rate reduction provided for in this section.

12 SECTION 4. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 6-301 of Title 40, unless there
14 is created a duplication in numbering, reads as follows:

15 A. There is hereby created in the State Treasury a revolving
16 fund for the Oklahoma Department of Commerce to be designated the
17 "Recently Unemployed Worker Training Fund". The Recently Unemployed
18 Worker Training Fund shall be separate and distinct from all other
19 funds and shall consist of:

20 1. All monies deposited in the fund pursuant to Section 7 of
21 this act;

22 2. All other sums, from whatever source, received by the
23 Oklahoma Department of Commerce and paid into the Recently
24 Unemployed Worker Training Fund; and

1 3. Property and securities acquired by and through the use of
2 monies in the Recently Unemployed Worker Training Fund.

3 B. The Recently Unemployed Worker Training Fund shall be a
4 continuing fund, not subject to fiscal year limitations. All monies
5 accruing to the credit of the Recently Unemployed Worker Training
6 Fund are hereby appropriated and may be budgeted and expended for
7 the purposes set forth in Section 5 of this act. Expenditures from
8 the Recently Unemployed Worker Training Fund shall be made upon
9 warrants issued by the State Treasurer against claims filed, as
10 prescribed by law, with the Director of State Finance for approval
11 and payment.

12 SECTION 5. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 6-302 of Title 40, unless there
14 is created a duplication in numbering, reads as follows:

15 The monies in the Recently Unemployed Worker Training Fund shall
16 be used for the following purposes:

17 1. Grants to provide training to recently unemployed workers
18 that will increase the productivity, efficiency, or skill level of
19 the workers;

20 2. Payment to the Oklahoma Employment Security Commission for
21 the reasonable costs associated with collecting the assessment which
22 created the fund; and

23 3. Payment of the reasonable costs of administration of the
24 grant program for which this fund was created.

1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 6-303 of Title 40, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The State Treasurer shall be the custodian and treasurer of
5 the Recently Unemployed Worker Training Fund.

6 B. The State Treasurer shall deposit the monies accrued to the
7 Recently Unemployed Worker Training Fund, that are in his or her
8 custody, subject to the provisions of Section 7 of this act.

9 C. The State Treasurer, as custodian of the Recently Unemployed
10 Worker Training Fund, shall hold, invest, transfer, sell, deposit,
11 and release those monies, properties or securities in a manner
12 approved by the Oklahoma Department of Commerce. Provided, however,
13 that those monies shall be invested in the classes of securities
14 legal for investment of public monies of this state. Provided
15 further, the investment shall at all times be so made that all
16 assets of the Recently Unemployed Worker Training Fund shall always
17 be readily convertible into cash when needed for any expenditure
18 authorized in Section 5 of this act.

19 SECTION 7. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 6-304 of Title 40, unless there
21 is created a duplication in numbering, reads as follows:

22 A. 1. For the tax year beginning on January 1, 2010, and
23 ending on December 31, 2010, each employer subject to the
24 provisions of Sections 3-103, 3-109 and 3-110 of Title 40 of the

1 Oklahoma Statutes shall be required to pay a Recently Unemployed
2 Worker Training Fund assessment equal to two percent (2%) of the
3 unemployment contributions that would be owed to the Oklahoma
4 Employment Security Commission before any rate reduction is made
5 pursuant to Section 3 of this act. This assessment shall be in
6 addition to any contribution which that employer is required to make
7 pursuant to the provisions of the Employment Security Act of 1980;
8 and

9 2. The assessment provided for in this section shall not be
10 considered part of any contribution required of an individual
11 employer pursuant to the Employment Security Act of 1980, nor shall
12 it be considered for purposes of determining the individual
13 employer's contribution rate.

14 B. Employers assigned a tax rate pursuant to Sections 3-103 and
15 3-110 of Title 40 of the Oklahoma Statutes shall pay an OESC
16 Administrative Fund assessment equal to the rate reduction granted
17 them pursuant to Section 3 of this act.

18 C. Employers who qualify for an earned rate calculated pursuant
19 to Section 3-109 of Title 40 of the Oklahoma Statutes, and are given
20 the highest rate in the rate scale, shall be exempt from the
21 provisions of this section.

22 D. Employers making payments in lieu of contributions pursuant
23 to Sections 3-702, 3-705 and 3-806 of Title 40 of the Oklahoma
24 Statutes shall be exempt from the provisions of this section.

1 E. The assessment shall be made and collected by the Oklahoma
2 Employment Security Commission for deposit, on a quarterly basis, to
3 the credit of the Recently Unemployed Worker Training Fund.
4 Provided, all monies received by the Oklahoma Employment Security
5 Commission for the account of the Recently Unemployed Worker
6 Training Fund, upon receipt, shall be deposited in a clearance
7 account in a financial institution located in this state.

8 F. The Chief Financial Officer of the Oklahoma Employment
9 Security Commission shall monitor the collection of the Recently
10 Unemployed Worker Training Fund assessment throughout the year.
11 When the balance of collections for the fund reaches Four Million
12 Dollars (\$4,000,000.00), all further collections shall be deposited
13 in the Unemployment Trust Fund for the State of Oklahoma.

14 G. The Oklahoma Employment Security Commission shall promulgate
15 such rules as may be necessary to implement the provisions of
16 Sections 3 and 7 of this act.

17 SECTION 8. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 6-305 of Title 40, unless there
19 is created a duplication in numbering, reads as follows:

20 A. For purposes of this section, "designated-training provider"
21 means any person, partnership, corporation, or limited liability
22 company, operating a business with employees whose primary work
23 station is located within the state of Oklahoma; or any private or
24 public educational institution located within this state.

1 B. For purposes of this section, "recently unemployed worker"
2 means an individual that meets the definition of unemployed as
3 defined in Section 1-217 of Title 40 of the Oklahoma Statutes, and
4 has met this definition since December 31, 2007.

5 C. The designated training provider shall use the grant funds
6 received from the Recently Unemployed Worker Training Fund only for
7 the payment of the cost of training and instruction for recently
8 unemployed workers. The designated training provider shall not use
9 any funds from the Recently Unemployed Worker Training Fund for
10 administration.

11 D. The Oklahoma Department of Commerce shall develop a grant
12 application form for designated training providers to use when
13 applying for grants from the Recently Unemployed Worker Training
14 Fund. At a minimum, the designated training provider must supply
15 the following:

- 16 1. Name;
- 17 2. Address;
- 18 3. Telephone number;
- 19 4. Tax number;
- 20 5. E-mail address;
- 21 6. Taxpayer identification number;
- 22 7. Names and titles of officers or owners, or in the case of a
23 public educational institution, the name of the superintendent,
24 principal, or president;

1 8. A description of the training the designated training
2 provider intends to provide to the recently unemployed workers;

3 9. The number of recently unemployed workers that can be
4 trained;

5 10. The number of training hours the recently unemployed
6 workers will receive;

7 11. Whether or not there will be a certification of skill level
8 at the end of the training;

9 12. A statement as to how this training will enhance the
10 productivity, the efficiency, or skill level of the recently
11 unemployed workers; and

12 13. The estimated cost of training.

13 E. Each designated training provider receiving a grant from the
14 Recently Unemployed Worker Training Fund shall match the grant
15 dollar for dollar from the funds of the designated training
16 provider. The match can be:

17 1. Payment of training costs by the designated training
18 provider;

19 2. Payment of the wages and expenses of instructors during
20 training;

21 3. Payment of travel, lodging and per diem necessary for
22 recently unemployed workers to attend the training;

23 4. Purchase of supplies and materials for use in the training
24 program;

1 5. Purchase of equipment or tools to be used in the training
2 program; or

3 6. Purchase of equipment or tools to be used by the recently
4 unemployed workers on the job after training is complete.

5 F. Training of the recently unemployed workers must begin
6 within six months of the date the grant to the designated training
7 provider is approved. Training must be completed within six months
8 of the date training begins. Grants will be paid to designated
9 training providers as a reimbursement of training expenses incurred.
10 Payment will be made based on invoices or billing statements from
11 the provider of the training up to the amount of the grant awarded.
12 Expenses for training occurring outside the time limits set out in
13 this subsection shall not be reimbursed.

14 G. Each designated training provider receiving a grant shall
15 make its records available to grant monitors for compliance reviews.

16 H. Applications for grants from the Recently Unemployed Worker
17 Training Fund shall be evaluated by the Oklahoma Department of
18 Commerce. Grants will be awarded based on the quality of the
19 application, the ability of the designated training provider to
20 complete the training process, the ability of the designated
21 training provider to produce the matching funds, the utility of the
22 training, and the overall impact the training will have on the local
23 and state economy.

24

SECTION 9. This act shall become effective November 1, 2009.

52-1-410 LKS 3/6/2009 2:06:34 AM

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24