

1 ENGROSSED SENATE  
2 BILL NO. 1639

By: Bingman and Ford of the  
Senate

3 and

4 Hall of the House

5 [ tax rebates - Quality Workforce Act - rebate  
6 payments - Quality Workforce Rebate Payment Fund -  
7 penalty - codification - effective date ]

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

9 SECTION 1. NEW LAW A new section of law to be codified  
10 in the Oklahoma Statutes as Section 3921 of Title 68, unless there  
11 is created a duplication in numbering, reads as follows:

12 This act shall be known and may be cited as the "Quality  
13 Workforce Act".

14 SECTION 2. NEW LAW A new section of law to be codified  
15 in the Oklahoma Statutes as Section 3922 of Title 68, unless there  
16 is created a duplication in numbering, reads as follows:

17 As used in the Quality Workforce Act:

18 1. "Approved certificate or degree" means a program of  
19 education located in Oklahoma and approved by the Oklahoma  
20 Department of Commerce prior to the time the establishment makes an  
21 initial application, which will result in the granting of an  
22 associate degree by an accredited public or private institution of  
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1 higher education or an industrial or vocational licensing or  
2 certification program;

3 2. "Basic industry" means any industry which meets the criteria  
4 set provided pursuant to paragraph 1 of Section 3913 of Title 68 of  
5 the Oklahoma Statutes;

6 3. "Critical occupation" means an occupation identified by the  
7 Oklahoma Department of Commerce as a critical industry certification  
8 which meets the guidelines of the identified core competencies of  
9 the state based on wealth generation, growth potential and  
10 competitive advantage;

11 4. "Eligible employee" means an individual who is a resident of  
12 this state and is a full-time employee of the establishment making  
13 application for a rebate, who is serving in a position or function  
14 which qualifies as a critical occupation, and for whom the  
15 establishment has paid the cost of tuition and materials necessary  
16 to obtain an approved license, certificate or degree during or prior  
17 to full-time employment;

18 5. "Establishment" means any for-profit business, no matter  
19 what legal form, including, but not limited to, a sole  
20 proprietorship, partnership, corporation, or limited liability  
21 corporation;

22 6. "Full-time employment" means employment of persons residing  
23 in this state and working for thirty (30) hours per week or more in  
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1 this state, which has a minimum six-month duration during any  
2 twelve-month period;

3 7. "Rebate" means a payment to an establishment for one hundred  
4 five percent (105%) of the amount of tuition and materials paid on  
5 behalf of an eligible employee for an approved license, certificate  
6 or degree; and

7 8. "Rebate supplement" means:

8 a. if applicable, an amount equal to five percent (5%) of  
9 the amount of any tuition and materials paid on behalf  
10 of an eligible employee who is a veteran of the Armed  
11 Forces of the United States; and

12 b. if applicable, an amount equal to five percent (5%) of  
13 the amount of any tuition and materials paid on behalf  
14 of an eligible employee who was, or whose household  
15 was, enrolled in the Oklahoma Medicaid program at the  
16 time of matriculation into an approved license,  
17 certificate or degree program.

18 SECTION 3. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 3923 of Title 68, unless there  
20 is created a duplication in numbering, reads as follows:

21 A. An eligible establishment which receives approval by the  
22 Oklahoma Department of Commerce pursuant to the provisions of the  
23 Quality Workforce Act may receive a rebate from the Oklahoma Tax  
24 Commission equal to amounts paid for workforce investment for

1 eligible employees plus any rebate supplement. Such payments shall  
2 be made until fully reimbursed but annual payments shall be limited  
3 to an amount equal to five percent (5%) of the average wage of all  
4 employees of the establishment multiplied by the number of eligible  
5 employees.

6 B. In order to receive rebate payments, an establishment shall  
7 apply to, and be approved by, the Oklahoma Department of Commerce on  
8 forms prescribed by the Department.

9 C. Before approving the application for rebate payments, the  
10 Department shall establish that the establishment applying:

11 1. Is eligible subject to the applicable definitions provided  
12 in Section 2 of this act;

13 2. Is not currently participating or applying to participate in  
14 the Oklahoma Quality Jobs Program Act, the Saving Quality Jobs Act,  
15 the Former Military Facility Development Act, the Small Employer  
16 Quality Jobs Act or the 21st Century Quality Jobs Incentive Act;

17 3. Has a basic health benefit plan which, as determined by the  
18 Department, meets the requirements of divisions (1) through (7) of  
19 subparagraph b of paragraph 1 of subsection A of Section 3603 of  
20 Title 68 of the Oklahoma Statutes and which has been offered or will  
21 be offered to individuals within twelve (12) months of employment;

22 4. Has obtained the applicable approval of the certificate or  
23 degree program prior to the matriculation of an employee or  
24 potential employee; and

1           5. Has documentation of direct payment to an institution for  
2 the completion of an approved license, certificate or degree.

3           D. Upon a determination that an applicant is qualified pursuant  
4 to subsection C of this section, the Oklahoma Department of Commerce  
5 shall notify the Oklahoma Tax Commission and provide it with a copy  
6 of the application and approval. Such approval shall include, but  
7 not be limited to, the approved license, certificate or degree  
8 program, the name of the eligible employee and the critical  
9 occupation identified. The Tax Commission may require the  
10 establishment to submit additional information as may be necessary  
11 to administer the provisions of this act. Eligible establishments  
12 may be audited by the Oklahoma Tax Commission to verify eligibility  
13 for rebate payments. Once the application is approved, an agreement  
14 shall be deemed to exist between the establishment and the State of  
15 Oklahoma requiring rebate payments to be made for as long as the  
16 establishment retains eligibility, within the limitations of this  
17 act as it exists at the time of such approval.

18           SECTION 4.           NEW LAW           A new section of law to be codified  
19 in the Oklahoma Statutes as Section 3924 of Title 68, unless there  
20 is created a duplication in numbering, reads as follows:

21           There is hereby created within the State Treasury a special fund  
22 for the Oklahoma Tax Commission to be designated the "Quality  
23 Workforce Rebate Payment Fund". The Tax Commission is hereby  
24 authorized and directed to withhold a portion of the taxes levied

1 and collected pursuant to Section 2355 of Title 68 of the Oklahoma  
2 Statutes for deposit into the fund. The amount deposited shall  
3 equal the sum estimated by the Tax Commission to be sufficient to  
4 pay rebate payments claimed pursuant to the provisions of Section 3  
5 of this act. All of the amounts deposited in such fund shall be  
6 used and expended by the Tax Commission solely for the purposes and  
7 in the amounts authorized by the Quality Workforce Act. The  
8 liability of the State of Oklahoma to make rebate payments under the  
9 Quality Workforce Act shall be limited to the balance contained in  
10 the fund created by this section.

11 SECTION 5. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 3925 of Title 68, unless there  
13 is created a duplication in numbering, reads as follows:

14 The Oklahoma Department of Commerce and the Oklahoma Tax  
15 Commission shall promulgate rules necessary to implement their  
16 respective duties and responsibilities under the provisions of the  
17 Quality Workforce Act.

18 SECTION 6. NEW LAW A new section of law to be codified  
19 in the Oklahoma Statutes as Section 3926 of Title 68, unless there  
20 is created a duplication in numbering, reads as follows:

21 Any person making an application, claim for payment or any  
22 report, return, statement, invoice, or other instrument or providing  
23 any other information pursuant to the provisions of this act who  
24 willfully makes a false or fraudulent application, claim, report,

1 return, statement, invoice, or other instrument, or who willfully  
2 provides any false or fraudulent information, or any person who  
3 willfully aids or abets another in making such false or fraudulent  
4 application, claim, report, return, statement, invoice, or other  
5 instrument, or who willfully aids or abets another in providing any  
6 false or fraudulent information, upon conviction, shall be guilty of  
7 a misdemeanor. The fine for a violation of this provision shall not  
8 be less than One Thousand Dollars (\$1,000.00) nor more than Fifty  
9 Thousand Dollars (\$50,000.00). Any person convicted of a violation  
10 of this section shall be liable for the repayment of all rebate  
11 payments which were paid to the establishment. Interest shall be  
12 due on such payments at the rate of ten percent (10%) per annum.

13 SECTION 7. This act shall become effective November 1, 2014.  
14 Passed the Senate the 11th day of March, 2014.

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Presiding Officer of the Senate

Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
2014.

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Presiding Officer of the House  
of Representatives