

1 this title. Provided, for the purposes of the Small Employer
2 Quality Jobs Incentive Act, the determination required by
3 subdivision (b) of division (7) or division (8) of subparagraph a of
4 paragraph 1 of subsection A of Section 3603 of this title shall be
5 made by the Oklahoma Department of Commerce and not the Incentive
6 Approval Committee;

7 2. "Establishment" means any business, no matter what legal
8 form, including, but not limited to, a sole proprietorship,
9 partnership, corporation, or limited liability corporation ~~located~~
10 ~~in a county with a population of not more than two hundred thousand~~
11 ~~(200,000) persons, as determined by the Department of Commerce based~~
12 ~~on the most recent U.S. Department of Commerce data or located in an~~
13 ~~"opportunity zone"; provided, a business classified as research and~~
14 ~~development in the physical, engineering and life sciences as~~
15 ~~described under U.S. Industry Number 541710 or classified as a~~
16 ~~testing laboratory as described under U.S. Industry Number 541380 in~~
17 ~~the North American Industry Classification System (NAICS) Manual~~
18 ~~shall be considered to be an establishment for purposes of the Small~~
19 ~~Employer Quality Jobs Incentive Act regardless of the population of~~
20 ~~the county in which the establishment is located. As used in this~~
21 ~~paragraph, "opportunity zone" means one or more census tracts in~~
22 ~~which, according to the most recent Federal Decennial Census, at~~
23 ~~least thirty percent (30%) of the residents have annual gross~~

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1 ~~household incomes from all sources below the poverty guidelines~~
2 ~~established by the U.S. Department of Health and Human Services;~~

3 3. "Estimated direct state benefits" means the tax revenues
4 projected by the Oklahoma Department of Commerce to accrue to the
5 state as a result of new direct jobs;

6 4. "Estimated direct state costs" means the costs projected by
7 the Department to accrue to the state as a result of new direct
8 jobs. Such costs shall include, but not be limited to:

9 a. the costs of education of new state resident children,

10 b. the costs of public health, public safety and
11 transportation services to be provided to new state
12 residents,

13 c. the costs of other state services to be provided to
14 new state residents, and

15 d. the costs of other state services;

16 5. "Estimated net direct state benefits" means the estimated
17 direct state benefits less the estimated direct state costs;

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

22 7. "Gross taxable payroll" means wages, as defined in Section
23 2385.1 of this title, for new direct jobs;

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1 8. "Net benefit rate" means the estimated net direct state
2 benefits computed as a percentage of gross payroll; provided:

3 a. the net benefit rate may be variable and shall not
4 exceed five percent (5%), and

5 b. in no event shall incentive payments, cumulatively,
6 exceed the estimated net direct state benefits; and

7 9. "New direct job" means full-time employment which did not
8 exist in this state prior to the date of approval, by the Oklahoma
9 Department of Commerce, of an application made pursuant to the Small
10 Employer Quality Jobs Incentive Act. A job shall be deemed to exist
11 in this state prior to approval of an application if the activities
12 and functions for which the particular job exists have been ongoing
13 at any time within six (6) months prior to such approval.

14 SECTION 2. This act shall become effective November 1, 2014.
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16 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT AND FINANCIAL
17 SERVICES, dated 04/03/2014 - DO PASS.
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