

BILL SUMMARY
2nd Session of the 56th Legislature

Bill No.:	SB 923
Version:	ENGR
Request Number:	NA
Author:	Rep. Leslie Osborn
Date:	4/2/2018
Impact:	Department of Commerce: No Direct Net Impact

Research Analysis

Engrossed SB923 modifies eligibility requirements for incentive payments through the Small Employer Quality Jobs Incentive Act by increasing the initial employment threshold for applicant companies from 90 employees to 500 employees and modifying the projected minimum employment requirements.

Prepared By: Quyen Do

Fiscal Analysis

From the Department of Commerce:

Implements changes recommended by the Incentive Evaluation Commission for Small Employer Quality Jobs by increasing the maximum number of full-time employees from 90 to 500.

The Small Business Administration traditionally designates a small employer as having 500 or fewer full-time employees.

The change opens up the program to more small employers across the state.

598 private sector businesses in qualifying codes with employment between 90 jobs and 500 jobs

These companies employ 115,124 and pay average wages of \$62,269 per year (40% higher than state average wage)

\$7.168 billion in payroll at these companies

Could have a significant impact on the manufacturing sector, which is 7.8% of the state's total economy.

39.3% of jobs at companies within the 90-500 employee range are manufacturing

45,279 of jobs at companies that would newly qualify are manufacturing jobs, accounting for \$2.57 billion in payroll

This would account for 34.5% of total manufacturing jobs in the state

The change better allows for rural communities to compete for economic development.

273 of the affected businesses are outside Oklahoma and Tulsa counties, and they pay \$56,800 average wage (27% higher than state average wage) at 52,683 jobs

\$2.993 billion in total payroll at these qualifying companies in these counties

45% of the businesses are outside the largest metro counties, and account for 45% of the employment

25,610 of the 52,683 total jobs in the non-metro counties are manufacturing jobs with \$1.43 billion in payroll

As with all potential participants in the Oklahoma Quality Jobs Act program, a cost/benefits analysis is required for approval. No direct net fiscal impact is anticipated.

Prepared By: Mark Tygret

Other Considerations

None.