

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1001 of Title 40, unless there
3 is created a duplication in numbering, reads as follows:

4 As used in this act:

5 1. "Eligible employers" means a business establishment engaged
6 in one or more of the following activities and as further limited
7 pursuant to paragraph 4 of this section:

- 8 a. aerospace and defense,
- 9 b. biotechnology and life sciences, and
- 10 c. energy diversification and renewable resources;

11 2. "Eligible Training Programs" are defined as one or more
12 courses or classes, or a structured regimen, that provides job-
13 driven training services and leads to a recognized postsecondary
14 credential. A recognized postsecondary credential is defined in
15 WIOA 3(52) as a credential consisting of an industry-recognized
16 certificate or certification, a certificate of completion of an
17 apprenticeship, a license recognized by the state or federal
18 government, or an associate or baccalaureate degree;

19 3. "Eligible training providers" means:

- 20 a. institutions of higher education that provide programs
21 leading to recognized postsecondary credentials,
- 22 b. private vocational schools, including, but not limited
23 to, private educational institutions eligible to

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1 receive federal funds under Title IV of the Higher
2 Education Act of 1965,

- 3 c. apprenticeship programs, including Industry Recognized
4 Apprenticeship Programs (IRAPs) and Registered
5 Apprenticeship Programs (RAPs),
- 6 d. other public or private providers of training, which
7 may include community-based organizations (CBOs) and
8 joint labor-management organizations, and
- 9 e. eligible providers of adult education and literacy
10 activities under Title II if such activities are
11 provided in combination with occupational skills
12 training;

13 4. "Priority employer categories" means those business
14 activities described by the following NAICS codes:

- 15 a. 2111,
- 16 b. 3251,
- 17 c. 3254,
- 18 d. 3259,
- 19 e. 3329,
- 20 f. 3335,
- 21 g. 3336,
- 22 h. 3339,
- 23 i. 3341,
- 24 j. 3342,

- 1 k. 3344,
- 2 l. 3353,
- 3 m. 3359,
- 4 n. 3364,
- 5 o. 5112,
- 6 p. 5415,
- 7 q. 5417,
- 8 r. 5419, and
- 9 s. 6215.

10 SECTION 3. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 1002 of Title 40, unless there
12 is created a duplication in numbering, reads as follows:

13 The Legislature finds that the Oklahoma NextGen Employee
14 Development Program as provided by this act will make Oklahoma more
15 competitive in its strategic priority industries, especially for
16 early stage and high-growth firms. New investments in workforce
17 development are a critical component of the Science and Innovation
18 Strategic Plan, and young firms at critical early stages need to
19 preserve as much capital as possible as they scale up operations.

20 SECTION 4. NEW LAW A new section of law to be codified
21 in the Oklahoma Statutes as Section 1003 of Title 40, unless there
22 is created a duplication in numbering, reads as follows:

23 A. The Oklahoma NextGen Employee Development Program shall be
24 designed to offset training costs incurred by certain high-priority

1 employers at Eligible Training Programs. Under this program,
2 companies who can achieve or have achieved eligibility for the
3 Oklahoma Quality Jobs Program and are classified in certain high-
4 priority NAICS categories may apply with the Oklahoma Department of
5 Commerce to seek reimbursements offsetting the cost of training
6 meant for the purpose of "upskilling" their employees.

7 B. The Oklahoma NextGen Employee Development Program shall be
8 administered in order to increase the role of employer-sponsorship
9 in Oklahoma's workforce training system, direct training expenses to
10 actual industry needs and actual job placements, and ensure that
11 Oklahoma remains competitive in industries of the future.

12 SECTION 5. NEW LAW A new section of law to be codified
13 in the Oklahoma Statutes as Section 1004 of Title 40, unless there
14 is created a duplication in numbering, reads as follows:

15 Outcomes from the NextGen Employee Development Program shall be
16 quantified by:

- 17 1. New jobs/hires;
- 18 2. New job sector entrants (upskilling from lower-skill prior
19 professions);
- 20 3. Higher taxable incomes (wage gains);
- 21 4. An increase in employer-directed job training;
- 22 5. An increase in attainment of industry-recognized
23 credentials;
- 24 6. Increased employment stability; and

1 7. Lower burden on social safety systems for unemployed and
2 underemployed workers.

3 SECTION 6. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 1005 of Title 40, unless there
5 is created a duplication in numbering, reads as follows:

6 A. The Department of Commerce shall be authorized to establish
7 the Oklahoma NextGen Employee Development Program, to be
8 administered for the purpose of upskilling the state's workforce in
9 high-priority occupations in high-growth industries. The program
10 shall be funded with encumbered allocations from the Oklahoma Tax
11 Commission and administered by the Department of Commerce as a
12 complimentary addition to the companies already accessing the
13 Quality Jobs Program.

14 B. The Department of Commerce shall have the authority to
15 preapprove both companies and training providers for inclusion in
16 the program, before awarding funds. The Oklahoma Tax Commission
17 shall provide reimbursement for training costs incurred by
18 prequalified employers at Eligible Training Programs using the
19 NextGen Employee Development Program Revolving Fund created pursuant
20 to Section 8 of this act.

21 SECTION 7. NEW LAW A new section of law to be codified
22 in the Oklahoma Statutes as Section 1006 of Title 40, unless there
23 is created a duplication in numbering, reads as follows:

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1 A. Reimbursement shall be awarded in the amount of fifteen
2 percent (15%) of first year wages for new hires and shall be capped
3 at Fifteen Thousand Dollars (\$15,000.00) award per new hire.

4 B. No reimbursement payments shall be made with respect to an
5 employee whose wages from an otherwise eligible employer are less
6 than Fifty Thousand Dollars (\$50,000.00) annually.

7 C. In order to maintain the relationship between the award of
8 reimbursement funds to performance and durable job placement,
9 reimbursement shall be awarded in two installments, based on the
10 anniversary of the first ninety (90) days and one hundred eighty
11 (180) days since employment of new hires and claimed at the same
12 time as quarterly payment claims under the existing Quality Jobs
13 Program to minimize administrative burden.

14 D. If a new hire separates from the employer before the full
15 reimbursement is paid, further reimbursement installments from the
16 date of separation shall be disallowed, and reimbursement payments
17 shall be prorated based on the number of days divided by one hundred
18 eighty (180).

19 E. Participating employers shall retain access to incentive
20 payments pursuant to Oklahoma Quality Jobs Program Act and the
21 reimbursement authorized by the Oklahoma NextGen Employee
22 Development Program shall constitute an additional incentive for
23 high-priority industries and job skills.

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1 SECTION 8. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1007 of Title 40, unless there
3 is created a duplication in numbering, reads as follows:

4 There is hereby created in the State Treasury a revolving fund
5 for the Oklahoma Department of Commerce to be designated the "NexGen
6 Employee Development Program Revolving Fund". The fund shall be a
7 continuing fund, not subject to fiscal year limitations, and shall
8 consist of all monies received by the Oklahoma Department of
9 Commerce from such sources as provided by law. All monies accruing
10 to the credit of said fund are hereby appropriated and may be
11 budgeted and expended by the Oklahoma Department of Commerce for the
12 purpose of implementing the Oklahoma NextGen Employee Development
13 Program. Expenditures from said fund shall be made upon warrants
14 issued by the State Treasurer against claims filed as prescribed by
15 law with the Director of the Office of Management and Enterprise
16 Services for approval and payment.

17 SECTION 9. This act shall become effective July 1, 2023.

18 SECTION 10. It being immediately necessary for the preservation
19 of the public peace, health or safety, an emergency is hereby
20 declared to exist, by reason whereof this act shall take effect and
21 be in full force from and after its passage and approval.

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23 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
24 03/02/2023 - DO PASS, As Coauthored.