

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 SENATE BILL 820

By: Boren

6 AS INTRODUCED

7 An Act relating to incentives; amending Sections 2,  
8 3, and 4, Chapter 298, O.S.L. 2024 (68 O.S. Supp.  
9 2024, Sections 3951, 3952, and 3953), which relate to  
the Oklahoma Five Major Sports Leagues Rebate Program  
Act; modifying name of act and fund; expanding sports  
leagues eligible for incentives; and providing an  
effective date.

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

12 SECTION 1. AMENDATORY Section 2, Chapter 298, O.S.L.

13 2024 (68 O.S. Supp. 2024, Section 3951), is amended to read as  
14 follows:

15 Section 3951. A. An establishment which meets the  
16 qualifications specified in the Oklahoma ~~Five~~ Major Sports Leagues  
17 Rebate Program Act may receive quarterly rebate payments from the  
18 Oklahoma Tax Commission pursuant to the provisions of the Oklahoma  
19 Quality Jobs Program Act; provided, such an establishment defined or  
20 classified in the NAICS Manual under U.S. Industry No. 711211 (2007  
21 version) and which is a professional sports team from one of the  
22 ~~five~~ major sports leagues (National Football League, or NFL;

National Basketball Association, or NBA; National Hockey League, or NHL; Major League Baseball, or MLB; and Major League Soccer, or MLS; Women's National Basketball Association, or WNBA; Women's Professional Fastpitch, or WPF; and National Women's Soccer League, or NWSL) may receive quarterly rebate payments for the period of time that the establishment is located and performs in this state. The amount of payment shall be equal to the net benefit rate multiplied by the actual gross payroll of sports-league jobs for a calendar quarter as verified by the Oklahoma Employment Security Commission.

1. Any establishment or entity with a NAICS code classified as 711211 and which is a professional sports team from one of the ~~five~~ major sports leagues (NFL, NBA, NHL, MLB, and MLS, WNBA, WPF, and NWSL) that entered into a contract for the Quality Jobs Incentive Program with the Oklahoma Department of Commerce shall only be eligible to qualify for this program once the Quality Jobs contract expires or is terminated.

2. Based upon the effective date upon which the first rebate payment is to be received, an establishment or entity may receive quarterly rebate payments. However, the total yearly (or four consecutive) rebate payments shall not exceed Ten Million Dollars (\$10,000,000.00) in any single year.

3. As used in this act, "sports-league jobs" means:

- 1           a. full-time-equivalent employment in this state in an  
2           establishment which has qualified to receive a payment  
3           pursuant to the provisions of the Oklahoma ~~Five~~ Major  
4           Sports Leagues Rebate Program Act, and  
5           b. shall include full-time-equivalent employment in this  
6           state of employees who are employed by an employment  
7           agency or similar entity other than the establishment  
8           which has qualified to receive a payment and who are  
9           leased or otherwise provided under contract to the  
10          qualified establishment if the job otherwise qualifies  
11          as a sports-league job.

12 Sports-league jobs shall not include compensation paid to an  
13 employee or independent contractor for an athletic contest conducted  
14 in the state if the compensation is paid by an entity that does not  
15 have its principal place of business in the state or that does not  
16 own real or personal property having a market value of at least One  
17 Million Dollars (\$1,000,000.00) located in the state, and the  
18 employees or independent contractors of such entity are compensated  
19 to compete against the employees or independent contractors of an  
20 establishment that qualifies for rebate payments pursuant to this  
21 act and which is organized under Oklahoma law or that is lawfully  
22 registered to do business in the state and which does have its  
23 principal place of business located in the state and owns real or  
24

1 personal property having a market value of at least One Million  
2 Dollars (\$1,000,000.00) located in the state.

3       B. In order to receive rebate payments, an establishment shall  
4 apply to the Oklahoma Department of Commerce. The application shall  
5 be on a form prescribed by the Department and shall contain such  
6 information as may be required by the Department to determine if the  
7 applicant is qualified.

8       C. Except as otherwise provided by this section, in order to  
9 qualify to receive payments, the establishment applying shall be  
10 required to:

11           1. Have an annual gross payroll for sports-league jobs  
12 projected by the Department to equal or exceed Ten Million Dollars  
13 (\$10,000,000.00) within one (1) year of the first complete calendar  
14 quarter following the start date; and

15           2. Have a number of full-time-equivalent employees subject to  
16 the tax imposed by Section 2355 of Title 68 of the Oklahoma Statutes  
17 and working an annual average of thirty (30) or more hours per week  
18 in sports-league jobs located in this state equal to or in excess of  
19 eighty percent (80%) of the total number of sports-league jobs.

20       D. Upon approval of an application, the Department shall notify  
21 the Tax Commission and shall provide it with a copy of the contract  
22 and the results of the cost-benefit analysis. The Tax Commission  
23 may require the qualified establishment to submit additional  
24 information as may be necessary to administer the provisions of the

1 Oklahoma ~~Five~~ Major Sports Leagues Rebate Program Act. The approved  
2 establishment shall file quarterly claims with the Tax Commission  
3 and shall continue to file such quarterly claims during the period  
4 in which the establishment or entity from one of the ~~five~~ major  
5 sports leagues is located and performs in this state to show its  
6 continued eligibility for rebate payments, or until it is no longer  
7 qualified to receive rebate payments. The establishment or entity  
8 may be audited by the Tax Commission to verify eligibility. Once  
9 the establishment or entity is approved, an agreement shall be  
10 deemed to exist between the establishment and this state, requiring  
11 the continued rebate payment to be made as long as the establishment  
12 or entity retains its eligibility as defined in and established  
13 pursuant to this section and within the limitations contained in the  
14 Oklahoma ~~Five~~ Major Sports Leagues Rebate Program Act, which existed  
15 at the time of approval. An establishment or entity described in  
16 this subsection shall be required to repay all rebate payments  
17 received under the Oklahoma ~~Five~~ Major Sports Leagues Rebate Program  
18 Act if the establishment or entity is determined by the Tax  
19 Commission to no longer have business operations in the state within  
20 three (3) years from the beginning of the calendar quarter for which  
21 the first rebate payment claim is filed.

22       E. For any contract executed by an establishment or entity  
23 pursuant to this act, five percent (5%) of the quarterly rebate  
24

1 payment amount shall be transferred by the Tax Commission to the  
2 Oklahoma Quick Action Closing Fund.

3 SECTION 2. AMENDATORY Section 3, Chapter 298, O.S.L.

4 2024 (68 O.S. Supp. 2024, Section 3952), is amended to read as  
5 follows:

6 Section 3952. A. As soon as practicable after the end of the  
7 first complete calendar quarter following the start date, the  
8 establishment or entity shall file a claim for the payment with the  
9 Oklahoma Tax Commission and shall specify the actual number and  
10 gross payroll of sports-league jobs for the establishment or entity  
11 for the calendar quarter. The Tax Commission shall verify the  
12 actual gross payroll for sports-league jobs for the establishment  
13 for such calendar quarter. If the Tax Commission is not able to  
14 provide verification utilizing all available resources, the Tax  
15 Commission may request additional information from the establishment  
16 or entity as may be necessary or may request the establishment to  
17 revise its claim. An establishment or entity may file for an  
18 extension of the initial filing date with the Oklahoma Department of  
19 Commerce. Any such extension shall be based solely upon an  
20 extraordinary adverse business circumstance which prevented the  
21 establishment or entity from hiring the sports-league jobs as  
22 projected. If an establishment or entity fails to file claims as  
23 required by this section, it shall forfeit the right to receive any  
24 rebate payments after one (1) year from the start date. If an

1 establishment or entity has filed at least one claim pursuant to  
2 this section but fails to file another claim within two (2) years of  
3 the most recent claim, the Tax Commission, after consulting with the  
4 Oklahoma Department of Commerce, may dismiss the establishment from  
5 the program, forfeiting the right of the establishment or entity to  
6 receive rebate payments based on that contract.

7       B. If the actual verified gross payroll for four (4)  
8 consecutive calendar quarters does not equal or exceed the  
9 applicable total required by this act within three (3) years of the  
10 start date, or does not equal or exceed the applicable total  
11 required by Section 3604 of Title 68 of the Oklahoma Statutes at any  
12 other time during the entire period after the start date for  
13 establishments defined or classified in the NAICS Manual under U.S.  
14 Industry No. 711211 (2007 version) and which are a professional  
15 sports team from one of the ~~five~~ major sports leagues (NFL, NBA,  
16 NHL, MLB, and MLS, WNBA, WPF, and NWSL), the rebate payments shall  
17 not be made and shall not be resumed until such time as the actual  
18 verified gross payroll equals or exceeds the applicable amounts  
19 specified in Section 3604 of Title 68 of the Oklahoma Statutes. If  
20 an establishment fails to achieve the required gross payroll within  
21 three (3) years of the start date, the establishment shall not make  
22 a new or renewal application for rebate payments authorized pursuant  
23 to the Oklahoma ~~Five~~ Major Sports Leagues Rebate Program Act for a  
24 period of twelve (12) months from the last day of the last month of

1       the three-year period during which the required gross payroll amount  
2       was not achieved.

3           C. In no event shall rebate payments cumulatively exceed the  
4       estimated net direct state benefits or Ten Million Dollars  
5       (\$10,000,000.00) in four (4) consecutive quarters.

6           D. As soon as practicable after verification of the actual  
7       gross payroll as required by this section, the Tax Commission shall  
8       issue a warrant to the establishment in the amount of the net  
9       benefit rate multiplied by the actual gross payroll as determined  
10      pursuant to subsection A of this section for the calendar quarter.

11           SECTION 3.       AMENDATORY           Section 4, Chapter 298, O.S.L.  
12      2024 (68 O.S. Supp. 2024, Section 3953), is amended to read as  
13      follows:

14           Section 3953. There is hereby created within the State Treasury  
15      a special fund for the Oklahoma Tax Commission to be designated the  
16      "Oklahoma ~~Five~~ Major Sports Leagues Rebate Payment Fund". The Tax  
17      Commission is hereby authorized and directed to withhold a portion  
18      of the taxes levied and collected pursuant to Section 2355 of Title  
19      68 of the Oklahoma Statutes for deposit into the fund. The amount  
20      deposited shall equal the sum of an amount determined by multiplying  
21      the net benefit rate provided by the Oklahoma Department of Commerce  
22      by the gross payroll as determined pursuant to the provisions of  
23      this act. All the amounts deposited in the fund shall be used and  
24      expended by the Tax Commission solely for the purposes and in the

1 amounts authorized by the Oklahoma Five Major Sports Leagues Rebate  
2 Program Act. The liability of the State of Oklahoma to make the  
3 rebate payments under this act shall be limited to the balance  
4 contained in the fund created by this section.

5 SECTION 4. This act shall become effective November 1, 2025.  
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7 60-1-1092

QD

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