

AMENDMENTS TO LB 1081

Introduced by Cornett, 45.

1 1. Strike the original sections and all amendments
2 thereto and insert the following new sections:

3 Section 1. Sections 1 to 11 of this act shall be known
4 and may be cited as the Teleworker Job Creation Act.

5 Sec. 2. The Legislature hereby finds and declares that:

6 (1) Current economic conditions in the state have
7 resulted in unemployment, loss of jobs, and difficulty in
8 attracting new jobs; and

9 (2) It is the policy of the state to make revisions
10 in Nebraska's job training structure to encourage businesses to
11 promote the creation of and training for new jobs which can be
12 performed in the home within the state.

13 Sec. 3. For purposes of the Teleworker Job Creation Act:

14 (1) Application filing date means the date that the
15 employer files an application for an agreement with the director
16 under the act;

17 (2) Base year means the three hundred sixty-five days
18 immediately preceding the application filing date;

19 (3) Base-year employee means any individual who was
20 employed in Nebraska and subject to the Nebraska income tax on
21 compensation received from the employer or its predecessors during
22 the base year and who is employed at the project;

23 (4) Director means the Director of Economic Development;

1 (5) Employer means a corporation, partnership, limited
2 liability company, cooperative, limited cooperative association, or
3 joint venture, together with such other entities that are, or would
4 be if incorporated, members of the same unitary group as defined in
5 section 77-2734.04, that employs the teleworkers for which the job
6 training reimbursements are applied for under the act;

7 (6) Qualifying employee means a teleworker who has
8 the following characteristics: (a) The teleworker constitutes
9 an employee of the employer under section 77-2753; (b) the
10 teleworker resides in Nebraska at the time of his or her employment
11 application according to his or her statement on his or her
12 employment application; (c) the teleworker completes a qualified
13 training program; (d) the teleworker is not a base-year employee;
14 (e) the teleworker is not required to purchase a computer from
15 the employer; (f) the teleworker has passed such job-related tests
16 required under the qualified training program; (g) the teleworker
17 has passed a criminal background check as required by the employer;
18 and (h) the teleworker has been allowed to complete the hiring
19 process paperwork from his or her residence, except for any drug
20 testing and notarized proof of identity, which can be performed at
21 such location directed by the employer;

22 (7) Qualified training program means a training program
23 which has the following features: (a) The program has at least
24 fifteen hours of instruction per trainee, all of which will occur
25 in the trainee's residence; (b) trainees are each paid at least
26 the federal minimum hourly wage per hour of training performed;
27 (c) trainees are being trained as teleworkers; and (d) the program

1 requires the trainees to pass job-related tests established by the
2 employer; and

3 (8) Teleworker means a person who works for the employer
4 from his or her residence through the use of telecommunication
5 systems, such as the telephone and the Internet, for inbound-only
6 service and order-taking sales calls, which calls may also include
7 the upselling of related products or services.

8 Sec. 4. (1) To earn the job training reimbursements set
9 forth in the Teleworker Job Creation Act, an employer shall file an
10 application for an agreement with the director. An application may
11 be filed at any time on or after the effective date of this act.

12 (2) The application shall contain:

13 (a) A written statement describing the expected
14 employment of qualifying employees in this state;

15 (b) Sufficient documents, plans, and specifications as
16 required by the director to support the plan and to define a
17 project; and

18 (c) A copy of the letter submitted to the director
19 seeking approval of the employer's qualified training program.

20 (3) The application and all supporting information shall
21 be confidential except, for each project:

22 (a) The name of the employer;

23 (b) The amount of the job training reimbursement;

24 (c) The number of persons trained, with such number
25 divided into three categories: The number who reside in rural
26 areas; the number who reside in poverty areas; and the number who
27 reside in all other parts of Nebraska, based on the rural areas and

1 poverty areas described in section 6 of this act; and

2 (d) The amount of total wages and other payments subject
3 to withholding, as defined in section 77-2753, paid by the employer
4 to all teleworkers who reside in Nebraska, with such residence as
5 determined by the statement of the qualifying employee on his or
6 her employment application, within three hundred sixty-five days
7 prior to the date of application, for the year of the project, and
8 for the following twelve months.

9 The employer shall be required to provide this
10 information to the director upon written request by the director.

11 (4) (a) The director shall approve the application and
12 authorize the total amount of job training reimbursements expected
13 to be earned as a result of the project if he or she is satisfied
14 that (i) the plan in the application defines a project that meets
15 the eligibility requirements established within the Teleworker
16 Job Creation Act and (ii) such requirements will be reached
17 within three hundred sixty-five calendar days after the application
18 filing date. The director shall use the subaccount created under
19 subsection (3) of section 81-1201.21 to provide reimbursements
20 allowed by the act for the training of teleworkers.

21 (b) The director shall not approve further applications
22 once the director has approved seven project applications filed
23 before the end of fiscal year 2010-11 and the expected job training
24 reimbursements from the approved projects total one million fifty
25 thousand dollars in fiscal year 2010-11. Applications for an
26 agreement shall for purposes of this limit be approved in the order
27 in which they are received by the director.

1 (c) An employer and the director may enter into
2 agreements for more than one project, up to a total of five
3 approved project applications filed before the end of fiscal year
4 2010-11. The projects may be either sequential or concurrent.
5 No new qualifying employees shall be included in more than one
6 project for meeting the project requirements or the creation of job
7 training reimbursements. When projects overlap and the plans do
8 not clearly specify, the employer shall specify to which project
9 the employment belongs. The employer has until it submits its
10 request for reimbursement to the director to designate to which
11 project a qualifying employee belongs. The employer may not receive
12 job training reimbursements for a qualifying employee until the
13 employer designates to which project that qualifying employee
14 belongs. Such designation shall be made on such form to be filed
15 with the director as the director shall direct.

16 (5) After approval, the employer and the director shall
17 enter into a written agreement. The employer shall agree to
18 complete the project, and the director, on behalf of the State of
19 Nebraska, shall designate the approved plans of the employer as a
20 project and, in consideration of the employer's agreement, agree
21 to allow the employer to receive the job training reimbursements
22 contained in the Teleworker Job Creation Act up to the total
23 amount of job training reimbursements that were authorized by the
24 director. The application and all supporting documentation, to the
25 extent approved, shall be considered a part of the agreement. The
26 agreement shall state:

27 (a) The number of qualifying employees required by the

1 act for the project;

2 (b) The time period under the act in which the required
3 level must be met;

4 (c) The documentation the employer will need to supply
5 when requesting the job training reimbursements under the act;

6 (d) The date the application was filed; and

7 (e) The maximum amount of job training reimbursements
8 authorized.

9 Sec. 5. (1) To be eligible to file an application for an
10 agreement with the director under the Teleworker Job Creation Act,
11 the employer shall submit a description of its training program to
12 the director for review.

13 (2) If the employer's training program meets the
14 requirements to constitute a qualified training program under the
15 act, the director shall approve such program and provide the
16 employer with an approval letter.

17 Sec. 6. (1) Job training reimbursements shall be made
18 to any employer who has an approved application pursuant to the
19 Teleworker Job Creation Act and who trains at least four hundred
20 qualifying employees in a qualified training program within three
21 hundred sixty-five calendar days from the application filing date
22 and offers employment to those qualifying employees to work for
23 the employer as a teleworker. The employer shall, to the extent
24 of available job positions, give a hiring priority preference,
25 over other similarly qualified applicants, to those applicants who
26 (a) reside in Nebraska counties of less than one hundred thousand
27 inhabitants, as determined by the most recent federal decennial

1 census, with such residence as determined by the statement of
2 the qualifying employee on his or her employment application, or
3 (b) reside in areas of high concentration of poverty within the
4 corporate limits of a city or village consisting of one or more
5 contiguous census tracts, as determined by the most recent federal
6 decennial census, which contain a percentage of persons below the
7 poverty line of greater than thirty percent, and all census tracts
8 contiguous to such tract or tracts, as determined by the most
9 recent federal decennial census. Such job positions shall pay a
10 wage of at least the then-required minimum hourly wage required
11 by federal law. If the employer fails to provide such a hiring
12 priority preference to one or more of the persons entitled to
13 it, then the employer shall lose the right to one job training
14 reimbursement for each such failure.

15 (2) The amount of the job training reimbursements allowed
16 under subsection (1) of this section shall be three hundred dollars
17 for each new qualifying employee hired by the employer after the
18 application filing date, up to a total of five hundred qualifying
19 employees per project, resulting in a maximum reimbursement per
20 project of one hundred fifty thousand dollars.

21 Sec. 7. A request for job training reimbursements may be
22 filed annually or quarterly by the employer on a form required by
23 the director. Each request shall contain verification of the number
24 of qualifying employees, designated by project, for which the
25 employer has met the requirements of the Teleworker Job Creation
26 Act, and such amounts shall be paid to the employer upon approval
27 by the director.

1 Sec. 8. The Department of Economic Development shall,
2 prior to making the job training reimbursement, audit the employer
3 for compliance with the Teleworker Job Creation Act. The department
4 may utilize the subaccount created under subsection (3) of section
5 81-1201.21 to support the costs of audits and administration of the
6 Teleworker Job Creation Act.

7 Sec. 9. (1) The right to job training reimbursements
8 and the agreement under the Teleworker Job Creation Act shall
9 not be transferable except when a project covered by an agreement
10 is transferred by sale or lease to another employer or in an
11 acquisition of assets qualifying under section 381 of the Internal
12 Revenue Code of 1986.

13 (2) The acquiring employer, as of the date of
14 notification of the director of the completed transfer, shall be
15 entitled to any unused job training reimbursements and to any
16 future job training reimbursements allowable under the act.

17 Sec. 10. Interest shall not be allowable on any job
18 training reimbursements earned under the Teleworker Job Creation
19 Act.

20 Sec. 11. Participation in the Teleworker Job Creation
21 Act shall not preclude an employer from receiving tax incentives
22 or other benefits under other federal, state, or local incentive
23 programs.

24 Sec. 12. Section 81-1201.21, Revised Statutes Supplement,
25 2009, as amended by section 72, Legislative Bill 3, One Hundred
26 First Legislature, First Special Session, 2009, is amended to read:

27 81-1201.21 (1) There is hereby created the Job Training

1 Cash Fund. The fund shall be under the direction of the Department
2 of Economic Development. Money may be transferred to the fund
3 pursuant to subdivision (1)(b)(iv) of section 48-621 and from
4 the Cash Reserve Fund at the direction of the Legislature. The
5 department shall establish a subaccount for all money transferred
6 from the Cash Reserve Fund to the Job Training Cash Fund on or
7 after July 1, 2005. Any unexpended or unobligated balance remaining
8 within such subaccount on July 1, 2014, shall be transferred by the
9 State Treasurer to the Cash Reserve Fund no later than July 10,
10 2014. Any obligated amount not transferred from the subaccount that
11 remains unexpended on July 1, 2013, shall be transferred by the
12 State Treasurer to the Cash Reserve Fund no later than December 31,
13 2015. Transfers may be made from the Job Training Cash Fund to the
14 General Fund at the direction of the Legislature.

15 (2) The department shall use the Job Training Cash Fund
16 to provide reimbursements for job training activities, including
17 employee assessment, preemployment training, on-the-job training,
18 training equipment costs, and other reasonable costs related to
19 helping industry and business locate or expand in Nebraska, or
20 to provide upgrade skills training of the existing labor force
21 necessary to adapt to new technology or the introduction of new
22 product lines.

23 (3) The department shall establish a subaccount within
24 the fund to provide job training grants targeted to small
25 employers, rural employers, and poverty area employers meeting
26 one of the following criteria: (a) Employ twenty-five or fewer
27 employees, (b) located in rural areas of Nebraska, or (c) located

1 in areas of high concentration of poverty within the corporate
2 limits of a city or village consisting of one or more contiguous
3 census tracts, as determined by the most recent federal decennial
4 census, which contain a percentage of persons below the poverty
5 line of greater than thirty percent, and all census tracts
6 contiguous to such tract or tracts, as determined by the most
7 recent federal decennial census. The department shall calculate the
8 amount of prior year investment income earnings accruing to the
9 fund and allocate such amount to the subaccount for small, rural,
10 or poverty area employer grants. The subaccount shall also be used
11 as provided in the Teleworker Job Creation Act.

12 (4) Any money in the fund available for investment
13 shall be invested by the state investment officer pursuant to
14 the Nebraska Capital Expansion Act and the Nebraska State Funds
15 Investment Act.

16 Sec. 13. Original section 81-1201.21, Revised Statutes
17 Supplement, 2009, as amended by section 72, Legislative Bill 3,
18 One Hundred First Legislature, First Special Session, 2009, is
19 repealed.

20 Sec. 14. Since an emergency exists, this act takes effect
21 when passed and approved according to law.