

STATE OF OKLAHOMA

1st Session of the 47th Legislature (1999)

HOUSE BILL HB1821

By: Blackburn

AS INTRODUCED

An Act relating to schools; amending Sections 4 and 5, Chapter 366, O.S.L. 1998 (70 O.S.Supp. 1998, Sections 3970.4 and 3970.5), which relate to the Oklahoma College Savings Plan Act; establishing terms for members of the Board of Trustees; providing for competitive selection process of certain institutions; exempting selection process from the Oklahoma Central Purchasing Act; providing an effective date; and declaring an emergency.

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

SECTION 1. AMENDATORY Section 4, Chapter 366, O.S.L. 1998 (70 O.S. Supp. 1998, Section 3970.4), is amended to read as follows:

Section 3970.4 A. There is hereby created the Board of Trustees of the Oklahoma College Savings Plan program composed of seven (7) members as follows:

1. The State Treasurer;
2. The State Auditor and Inspector;
3. The State Superintendent of Public Instruction;
4. The Chancellor of the Oklahoma State Regents for Higher

Education;

5. Three members, from the general public, each of whom possesses knowledge, skill and experience in accounting, risk management, investments, financial management, or actuarial science, one of whom is appointed by the Governor, one by the Speaker of the House, and one by the President Pro Tempore of the Senate. Each member shall serve a term of four (4) years. The initial appointee of the Governor shall serve a term of two (2) years. The initial

appointee of the President Pro Tempore shall serve a term of three (3) years. The initial appointee of the Speaker shall serve a term of four (4) years.

B. The State Treasurer shall serve as chair of the Board. The Board shall select a vice-chair.

C. Members of the Board may designate members of their respective staffs to attend meetings of the Board and to vote in their absence. Such designations shall be in writing to the chair of the Board and filed with the Secretary of State.

D. Members of the Board shall serve without compensation but shall receive reasonable reimbursement from their respective office or agency or in the case of appointed members from the appointing authority for actual and necessary travel expenses in accordance with the State Travel Reimbursement Act.

E. A majority of the members of the Board serving shall constitute a quorum for the transaction of business at a meeting of the Board. Voting upon action to be taken by the Board shall be conducted by a majority vote of the members present at the meeting of the Board.

F. The business of the Board shall be conducted at meetings of the Board held in compliance with the Oklahoma Open Meeting Act. The Board shall make available to the public records as required by the Oklahoma Open Records Act.

G. The Board may delegate to the Oklahoma State Regents for Higher Education some or all of the duties to carry out the day-to-day operations and responsibilities of the program. The Regents shall provide staff for the Board. In exercising such delegation, the Regents shall be authorized to exercise such powers as are vested in the Board which are necessary to fulfill the delegated duties and responsibilities, and may assign any such duties and responsibilities to the staff as the Regents deem necessary and proper.

H. The members of the Board are immune from personal liability with respect to all actions that are taken in good faith and within the scope of the Board's authority.

SECTION 2. AMENDATORY Section 5, Chapter 366, O.S.L. 1998 (70 O.S. Supp. 1998, Section 3970.5), is amended to read as follows:

Section 3970.5 The Board of Trustees of the Oklahoma College Savings Plan shall:

1. Develop and implement the program in a manner consistent with this act through the adoption of rules, guidelines and procedures;
2. Retain professional services, if necessary, including accountants, auditors, consultants and other experts;
3. Seek rulings and other guidance, if necessary, from the United States Department of the Treasury, the Internal Revenue Service, and the Oklahoma Attorney General relating to the program;
4. Make changes to the program required for the participants in the program to obtain the federal income tax benefits or treatment provided by Section 529 of the Internal Revenue Code;
5. Interpret, in rules, policies, guidelines and procedures, the provisions of this act broadly in light of its purpose and objectives;
6. Develop a schedule of application fees and other necessary fees and charges in connection with any agreement, contract or transaction relating to the program that are sufficient to offset the administrative and staffing costs associated with the implementation and administration of this program;
7. Select the financial institution or institutions to act as the depositories and managers of the program accounts in accordance with this act. The institutions shall be selected through a competitive selection process. Such selection process shall be exempt from the Oklahoma Central Purchasing Act; and

8. Adopt rules to assist in the administration and implementation of this act.

SECTION 3. This act shall become effective July 1, 1999.

SECTION 4. It being immediately necessary for the preservation of the public peace, health and safety, an emergency is hereby declared to exist, by reason whereof this act shall take effect and be in full force from and after its passage and approval.

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