

BILL SUMMARY

1st Session of the 55th Legislature

Bill No.:	HB 1733
Version:	Introduced
Request Number:	6503
Author:	Rep. Roberts (Sean)
Date:	2/13/2015
Impact:	Loss of \$5.5 million to State Regents Office Loss of \$768,684 to Career and Ed. Tech. Unknown potential loss of funds to common ed. Scholarship Act is covered in FY-16, but cost would be approx. \$1.2 million beginning in FY-17

Research Analysis

HB 1733 creates the Oklahoma Community College Scholarship Program, which will be administered by the Oklahoma State Regents for Higher Education. The program will be open to Oklahoma residents seeking an associate's degree, certificate, or diploma from an eligible postsecondary institution. To participate in the program a student must meet the eligibility requirements as provided for in the measure. The measure establishes a trust fund for the program and appropriates twenty percent from the Oklahoma Education Lottery Trust Fund to pay for the program.

Prepared By: Scott Tohlen

Fiscal Analysis

HB 1733, as introduced, creates the Oklahoma Community College Scholarship Act. A Trust Fund is created with the State Regents for Higher Education as the trustees. The Trust Fund will at least include an appropriation of 20% of from the Oklahoma Education Lottery Trust Fund which is approximately \$13.9 million. And, a current apportionment from the Oklahoma Education Lottery Trust Fund for higher education, career and education technology education and common education is decreased from 45% to 25%

State Regents' Office personnel estimate the FY-16 costs could be approximately \$11 million, which is \$2.9 million less than the \$13.9 million allocated. And, FY-17 costs could be about \$18 million. Therefore, additional costs would be approximately \$1.2 million beginning in FY-17.

Further, State Regents' Office personnel provide that current funds received from the Oklahoma Educational Lottery Trust Fund are applied to debt service. A 20% loss of these funds is approximately \$5.5 million. Career and Education Technology staff provide that a 20% loss of these funds for them is \$768,684. The potential loss to common education is unknown at this time.

Prepared By: Andrea Kearney

Other Considerations

None

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