

BILL SUMMARY
2nd Session of the 55th Legislature

Bill No.:	HB 2764
Version:	CS
Request Number:	9361
Author:	Rep. Montgomery
Date:	2/24/2016
Impact:	Potential for Costs:
	Authorization to Hire Employees
	Authorization to Engage Professional Services

Creates Income Tax Checkoff

Research Analysis

The bill creates the Oklahoma Education Finance Authority to administer and manage funds that are to be utilized for teacher salary increases, teacher bonuses, textbooks, supplies or other materials used in the classroom, grants for capital improvements, and training or continuing education programs for teachers. The authority must create and maintain a website that provides detailed information regarding amounts contributed to the fund, expenses of the fund, and operational expenditures of the Authority. For tax years beginning after December 31, 2016, each state individual income tax return and corporate tax return must contain a provision to allow for donation from a tax refund to the Oklahoma Education Finance Authority Endowment Fund.

Prepared By: Scott Tohlen

Fiscal Analysis

The measure creates the Oklahoma Education Finance Authority, a seven member board which is to administer and manage funds to be utilized for salary increases of teachers, classroom materials and other education related uses.

Among the provisions are the authorization for the Authority to hire an executive director or chief administrative officer, who in turn would be responsible for hiring any necessary employees. Further, the Authority is authorized to engage the services of professional investment advisors, fund managers or other professional services as deemed required in performance of the duties of the Authority. Any administrative costs are to be paid from an allowed percentage of the endowment.

No reliable cost estimates can be established as to the cost of necessary personnel as such hiring events are authorized but not required. All administrative costs of the Authority are to be limited to a percentage of the earnings from the newly created Oklahoma Education Finance Authority Endowment Fund. The Fund consists of contributions made to the Authority or from other lawfully authorized sources including funds derived from a newly created income tax checkoff.

Prepared By: Mark Tygret

Other Considerations

None

