

BILL SUMMARY
2nd Session of the 56th Legislature

Bill No.:	HB 1400
Version:	CS
Request Number:	9952
Author:	Rep. Montgomery
Date:	3/12/2018
Impact:	Dependent on Available Carryover, Gross Production Collections And Sub-Fund Accrual

Research Analysis

The committee substitute for HB1400 creates the Oklahoma Vision Act. The measure establishes the Oklahoma Vision Fund which allows for investment of carryover funds from fiscal year 2018 through fiscal year 2021, gross production tax revenue from oil and gas, any funding appropriated by the Legislature and any funds within the Higher Education Research and Development Fund and the Education Vision Fund. The purpose of the fund is to create an investment portfolio that will eventually generate funding for the Oklahoma Center for the Advancement of Science and Technology, higher education and common education. Any money transferred to State Regents for Higher Education must be used to support research and development in the fields of health, medicine, pharmaceuticals, drug development, engineering, science or math. Any money transferred to the common school districts must be used to provide reduced-price lunches for income qualified students.

Prepared By: Quyen Do

Fiscal Analysis

The measure provides for increasing percentages of carryover funds related to agency appropriations not otherwise expended or encumbered as well as five percent of actual revenue from the gross production tax. Fund balances of the Oklahoma Vision Fund are to be invested and reinvested into the Vision Fund. Certain amounts of the fund balance are to be allotted to the Oklahoma Center for the Advancement of Science and Technology (OCAST) (1.0 percent), the Higher Education Research and Development Fund (5.0 percent) and the Education Vision Fund (10.0 percent).

Once the ten year moving average investment earnings equal the ten year moving average of individual and corporate income tax collections to the General Revenue Fund, allotments from the fund to offset income tax revenue and to remit funds back to income tax filers. Further, Funds which had accrued to the sub-funds are to be allocated to the education systems.

The amounts to be deposited into the Vision Fund and its sub-funds will depend on the amounts of carryover funds and from gross production collections.

Prepared By: Mark Tygret

Other Considerations

None.

