

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 1837
Version:	CS
Request Number:	7031
Author:	Rep. Osborn (L.)
Date:	2/23/2017
Impact:	\$0 increase – FY-18
Est. increase of \$110m in next 5 yrs. for ed. programs	

Research Analysis

The committee substitute for HB1837 modifies to apportionment of net proceeds from the Oklahoma Lottery to the Oklahoma Education Lottery Trust Fund. Instead of the current 35 percent of net proceeds, the first \$50 million of net proceeds will be transferred to the fund. Any remaining proceeds will also be transferred to the fund eventually, but will be appropriated by the Legislature on a cash basis for the purchase of implementing pre-K through third grade reading initiative or STEM programs. The measure also limits the annual cost of administration, marketing, contracts and commissions to no more than 3 percent of sales.

Prepared By: Quyen Do

Fiscal Analysis

CS for HB 1837 relates to the Oklahoma Education Lottery Act. New language provides that for each fiscal year, the first \$50 million dollars of net proceeds of net proceeds shall be transferred to the Oklahoma Education Lottery Trust Fund. All of the proceeds remaining after such apportionment will be transferred to the Oklahoma Education Lottery Trust Fund. The Oklahoma Lottery Commission will submit a specified written report annually.

Further, the annual maximum percentage for administrative costs, not including specified items, will not exceed 3% of sales. And, the portion of lottery annual net proceeds deposited to the Oklahoma Education Lottery Trust Fund that exceeds \$50 million will be appropriated by the Legislature on a cash basis to be allocated by the State Department of Education to public schools on a certain average daily membership basis and for specific purposes.

Lottery Commission personnel are estimating no increase in funds for FY-18. The combined impact of the changes is estimated to add \$110 million availability for education programs over the next five years.

Prepared By: Andrea Kearney

Other Considerations

None

