

**Bill Summary**  
1<sup>st</sup> Session of the 57<sup>th</sup> Legislature

<b>Bill No.:</b>	<b>SB 580</b>
<b>Version:</b>	<b>INT</b>
<b>Request No.:</b>	<b>1643</b>
<b>Author:</b>	<b>Sen. Bice</b>
<b>Date:</b>	<b>01/25/2019</b>

**Bill Analysis**

SB 580 creates the Oklahoma Early Education Savings Account Act. The measure implements an education savings account program that allows individuals to, upon completing the application procedures enumerated by the measure, deposit cash into the account. Individuals may then make qualified withdrawals, as defined by the measure, without penalty or nonqualified withdrawals, which will result in a 5% penalty assessed against the withdrawal. Up to a maximum of \$2,500.00 may be deducted from an individual's income tax based on the individual's contributions to his or her early education savings account. Nonqualified withdrawals are still taxable.

The program will be administered by the Board of Trustees of the Oklahoma Early Education Savings Plan, which is comprised of seven members. The Board will be subject to the Open Meetings Act and Open Records Act. The Board may delegate all or some of its day-to-day duties to the State Department of Education. The Board may use retained, unqualified fund withdrawal fees in its marketing fund.

The Board's duties will include developing guidelines, retaining professional services to maintain the accounts, seek guidance from relevant state entities, develop a schedule of fees, and selecting financial institutions to maintain savings accounts. When selecting financial institutions, the Board will be guided by provisions in the measure. Institutions selected by the Board are designated as program managers and may receive deposits from individuals wishing to participate in the program. If the Board cancels the contract, the manager will continue to maintain existing accounts, but will not be able to open new accounts.

Prepared by: Kalen Taylor