

BILL SUMMARY
2nd Session of the 59th Legislature

Bill No.:	HB4068
Version:	Int
Request Number:	9001
Author:	Rep. Wallace
Date:	2/21/2024
Impact:	See Analysis Below

Research Analysis

HB 4068, as introduced, establishes the Broadband Administrative Expenses Revolving Fund under the Oklahoma Broadband Office.

Prepared By: Autumn Mathews

Fiscal Analysis

This measure creates a revolving fund for the Oklahoma Broadband Office (OBO) to use on expenses that are disallowed by the federal grants programs the agency is running. According to OBO, the bulk of the disallowed expenses currently is for the 401(k) retirement plans for several of their employees. As this measure contains no appropriations, and is not requiring the OBO to perform any actions, there is no fiscal impact from the measure. OBO has provided a cost estimate for the disallowed costs, which is below.

Prepared By: Mariah Searock, House Fiscal Staff

Other Considerations

In FY-2023, OBO spent \$8,068.42 towards retirement expenses that are not allowed, and need to be refunded.

As of January in FY-2024, OBO has spent \$39,576.24 in the same retirement expenses. This breaks out to a monthly expense of \$6,596.04. At that rate, for the full FY-2024, OBO believes it will spend about \$79,152.48. As the office is set to expire in June of 2028, OBO believes the total remaining expense for retirement plans is about \$395,762.40. This is without any additional staff added or pay raises for current staff. Given the estimate for FY-2024 onwards, plus the money spent in FY-2023, OBO has expended or will expend about \$453,830.82 in retirement expenses.

OBO additionally has expended \$14,000.00 in required administrative expenses that were not covered at the time.

Therefore, the total fiscal impact to the state to repay those disallowed federal expenses is \$467,830.82.

