

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HB3590
Version:	SUBPCS2
Request Number:	16418
Author:	Rep. Lepak
Date:	2/18/2026
Impact:	No impact

Research Analysis

The second proposed committee substitute for HB3590 makes several changes to the Equal Opportunity Education Scholarship Act. It modifies the reporting requirements for scholarship-granting organizations that receive donations under the program. These organizations will now be required to submit audited financial statements and outcomes reports once every four years instead of every two years.

The measure also updates multiple definitions. The definition of an *eligible student* is revised to set the household adjusted gross income limit at 555 percent of the federal poverty level. The definition of a *low-income eligible student* is changed to set the limit at 185 percent of the federal poverty level.

Additionally, the bill requires the annual report submitted to the Oklahoma Tax Commission to include details on the total number, dollar amount, and percentage of educational scholarships awarded and funded during the previous academic year. This report must categorize this data using the newly updated definitions for *eligible student* and *low-income eligible student*.

Prepared By: Quyen Do

Fiscal Analysis

In its current form, HB3590 modifies certain definitions and requirements related to the Equal Opportunity Education Scholarship Act.

Officials from the Oklahoma Tax Commission have provided the following analysis:

ESTIMATED REVENUE IMPACT:**FY27: \$0****FY28: \$0**

ANALYSIS: The Proposed Subcommittee Substitute for HB 3590 (Req. No. 16418) amends 68 O.S. § 2357.206, effective January 1, 2027.

The measure modifies the definition of “eligible student” by requiring verified household adjusted gross income and increasing the income eligibility threshold from 300% of the income standard used to qualify for free or reduced-price lunch to 555% of the federal poverty level, as published annually by the United States Department of Health and Human Services. It also replaces the prior federal school-improvement reference with eligibility for students who attended, or were eligible to attend based on residence, a public school assigned a letter grade of “C,” “D,” or “F” pursuant to Section 1210.545 of Title 70 of the Oklahoma Statutes.

The bill revises the definition of “low-income eligible student” to mean a student from a household with verified household adjusted gross income not exceeding 185% of the federal poverty level.

The measure authorizes scholarship payments by secure electronic funds transfer, modifies the definition of “annual revenue” for purposes of administrative expenditure limitations by excluding investment earnings, and expands annual reporting requirements by requiring scholarship data to be reported separately by adjusted gross income categories based on federal poverty level thresholds.

The bill moves audited financial statement reporting deadlines to December 31, 2029. It changes the reporting cycle for scholarship-granting organizations and educational improvement grant organizations from every two years to every four years and maintains the four-year reporting cycle for eligible public school foundations and public school districts.

Prepared By: Zach Penrod, House Fiscal Staff

Other Considerations

None.