

BILL SUMMARY
2nd Session of the 60th Legislature

Bill No.:	HJR1077
Version:	FULLPCS2
Request Number:	15961
Author:	Rep. Caldwell (Trey)
Date:	2/24/2026
Impact:	TSET Admin. Savings of \$4-6 Million/yr., Increased OHLAP and ERRF Funding

Research Analysis

Pending

Prepared By: House Research Staff

Fiscal Analysis

HJR 1077 in its current form, creates a State Question that would modify Constitutional provisions related to the Tobacco Settlement Endowment Trust (TSET). The provisions of the State Question, would expand the categories of assets which could be deposited to TSET as principal, to include real property assets, stock, and other equity investments. Currently, such deposits are limited only to monies. The measure also transfers managing and administrative duties to the TSET Board of Investors, from the TSET Board of Directors. The measure eliminates the TSET Board of Directors and its administrative duties. Finally the measure provides a specific structure for distribution of annual TSET investment proceeds as follows: first, 20% to be retained by the trust fund as principal; second, additional amount needed to satisfy the annual estimated need for the Oklahoma Higher Learning Access Program (OHLAP) to provide scholarships; and third, any remainder to the Education Reform Revolving Fund (a.k.a. the 1017 Fund).

The structured distributions should streamline administration of TSET resulting in significant administrative savings, thus eliminating the need for TSET Board of Directors effort. These changes should result in administrative savings to TSET of \$4,000,000 to \$6,000,000 annually. The estimated cost of an OHLAP scholarship is just under \$6,000, the administrative savings alone would be expected to fund an additional 667 to 1,000 OHLAP scholarships annually, not taking into account the additional scholarships that would be funded pursuant to the annual TSET earnings directed to the OHLAP scholarship effort, which would be significantly larger.

Prepared By: John McPhetridge, House Fiscal Director

Other Considerations

None.