



**OKPOLICY.ORG**



# **2017 Legislative Primer**



**I. Oklahoma Legislature**

**II. Executive Branch**

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**IV. Policy Path**

**V. Budget Process**

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## House of Representatives

- 101 Members
- Two-Year Elected Terms
- Republicans have controlled the House since 2004
- Current Breakdown: 75 Republicans / 26 Democrats
- 32 Newly Elected Representatives
  - 25 Republicans, 7 Democrats
- 13 term-limited in 2018
- Presided over by Speaker Charles McCall

## Senate

- 48 Members
- Four-Year Staggered Elected Terms
- Republicans have controlled the Senate since 2008
- Current Breakdown: 42 Republicans / 6 Democrats
- 13 Newly Elected Senators
  - 13 Republicans, 0 Democrats
- 6 term-limited in 2018
- Presided over by President Pro-Tempore Mike Schulz
- Lt. Governor Todd Lamb is the President of the Senate

## Legislative Salary

- Members - \$38,400 (base)
- President Pro-Tempore and Speaker - \$17,932 (additional)
- Other Top Leadership - \$12,364 (additional)
- All Members Receive Travel and Per Diem during Legislative Session

## Terms of Office

- Prohibition on holding multiple offices;
- A twelve-year term limit:
  - Years in legislative office do not need not to be consecutive;
  - Years of service in both the Senate and the House of Representatives are added together and included in determining the total number of legislative years in office.
- In the event of a vacancy in the Legislature, the Governor calls a special election to fill the vacancies.

## House Majority Leadership



**SPEAKER**

Charles McCall (R-Atoka)



**SPEAKER PRO TEMPORE**

Harold Wright (R-Weatherford)



**MAJORITY FLOOR LEADER**

Jon Echols (R-Oklahoma City)

**MAJORITY LEADER**

- Mike Sanders (R-Kingfisher)

**MAJORITY WHIP**

- Terry O'Donnell (R-Catoosa)

**CAUCUS CHAIR**

- David Brumbaugh (R-Broken Arrow)

**CAUCUS VICE-CHAIR**

- Elise Hall (R-Oklahoma City)

**CAUCUS SECRETARY**

- Katie Henke (R-Tulsa)



## House Minority Leadership



**MINORITY LEADER**  
Scott Inman (D-Del City)



**ASSISTANT MINORITY LEADER**  
Eric Proctor (D-Tulsa)

### **MINORITY FLOOR LEADER**

- David Perryman (D-Chickasha)

### **MINORITY WHIP**

- Chuck Hoskin (D-Vinita)

### **ASSISTANT MINORITY WHIP**

- Cyndi Munson (D-Oklahoma City)

### **CAUCUS CHAIR**

- Steve Kouplen (D-Beggs)

### **CAUCUS VICE-CHAIR**

- George Young Sr. (D-Oklahoma City)

### **CAUCUS SECRETARY**

- Shane Stone (D-Oklahoma City)



## Senate Majority Leadership



### **PRESIDENT PRO-TEMPORE**

Mike Schulz (R-Altus)



### **MAJORITY FLOOR LEADER**

Greg Treat (R-Oklahoma City)

### **ASSISTANT MAJORITY FLOOR LEADERS**

- Eddie Fields (R-Wynona)
- Bryce Marlatt (R-Woodward)
- Stephanie Bice (R-Oklahoma City)

### **MAJORITY WHIPS**

- Mark Allen (R-Spiro)
- Nathan Dahm (R-Broken Arrow)
- Frank Simpson (R-Springer)
- Rob Standridge (R-Norman)

### **CAUCUS CHAIR**

- Gary Stanislawski (R-Tulsa)

### **VICE CAUCUS CHAIR**

- Roger Thompson (R-Okemah)

### **RURAL CAUCUS CHAIR**

- AJ Griffin (R-Guthrie)



## Senate Minority Leadership



**MINORITY LEADER**  
John Sparks (D-Norman)



**ASSISTANT MINORITY LEADER**  
Anastasia Pittman (D-Oklahoma City)

**MINORITY LEADER EMERITUS**

- Randy Bass (D-Lawton)

**MINORITY WHIP**

- J.J. Dossett (D-Sperry)

**CAUCUS CHAIR**

- Kay Floyd (D-Oklahoma City)

**CAUCUS VICE-CHAIR**

- Kevin Matthews (D-Tulsa)



# EXECUTIVE BRANCH

## Governor as Chief Executive

- Elected to a four-year term, two-term limit.
- Powers and Duties:
  - Head of state and chief executive for the State of Oklahoma
  - Commander in Chief of the Oklahoma National Guard
  - Delivers yearly “State of the State” address to the Legislature on the first day of session

## Governor Mary Fallin (R)



- Elected 2010, 2014
- Former Member of Congress, Lieutenant-Governor, House member



# EXECUTIVE BRANCH

## Executive Branch Officials (Elected)



**Lt. Governor**  
Todd Lamb



**Attorney General**  
Scott Pruitt



**State Treasurer**  
Ken Miller



**Insurance Commissioner**  
John Doak



**State Auditor & Inspector**  
Gary Jones



**Labor Commissioner**  
Melissa McLawhorn  
Houston



**Superintendent of Public Instruction**  
Joy Hofmeister



**Corporation Commissioners**  
Bob Anthony (chair)  
Todd Hiatt  
Dana Murphey

## Governor Fallin's Cabinet Secretaries (Appointed)

- 
- **Agriculture:** Jim Reese
  - **Commerce & Tourism:** Deby Snodgrass
  - **Education & Workforce Development:** Natalie Shirley
  - **Energy and Environment:** Michael Teague
  - **Finance, Administration, & Information Technology:** Preston Doerflinger
  - **Health and Human Services:** Dr. Terry Cline
  - **Military:** Major General Robbie Asher
  - **Native American Affairs:** Chris Bengé
  - **Safety & Security:** Michael C. Thompson
  - **State:** Mike Hunter
  - **Transportation:** Gary Ridley
  - **Science & Technology:** Dr. Stephen McKeever
  - **Veterans Affairs:** Major General Myles Deering



# LEGISLATIVE SESSION

## Regular Session

- Legislative Sessions begin at noon on the first Monday in February and must adjourn by no later than 5:00 p.m. on the last Friday in May.
- However, in odd numbered years (years following an election) the Legislature meets on the Tuesday after the first Monday in January for the sole purpose of determining the outcome of the statewide elections.
- The current 2018 session is designated as the First Session of the 56th Legislature.

## Special Session

- Special sessions can be convened as follows:
  - Issued jointly by two-thirds of the members of the Senate and two-thirds of the members of the House of Representatives, OR
  - Call of the Governor.
- Special sessions can run concurrently with regular sessions.



## Where Do Bills Come From?

- Request of a government agency or local government
- Request of an interest group
- Request of a constituent
- National model legislation (e.g. NCSL, ALEC)
- Governor
- Legislator's interest
- Interim Study

## Preparation

- All bills must be requested and introduced by a legislator
- The deadline to request a bill is December 9, 2016
- The deadline to introduce a bill is January 19, 2017 (with some exceptions – see slide 16)
- House members may file “shell bills” without substantive language as a placeholder to be filled in later. Shell bills are prohibited in the Senate.





## Volume of Legislation

- Legislators may introduce an unlimited number of bills
  - For non-leadership House members, only eight bills per session may be assigned to regular committees for consideration. Extra bills are sent to the Rules Committee.
- In the 2016 session, the Legislature considered 2,556 bills and joint resolutions, of which 196 Senate measures and 203 House measures became law. Governor Mary Fallin vetoed 6 measures and issued a line-item veto for part of 1 measure.
- This year (2017), 878 new bills and resolutions have been filed in the Senate and 1,364 have been filed in the House.



## Legislative Deadlines: 2017 Session

<b>Deadline for bill draft requests</b>	<b>Friday, December 9, 2016</b>
<b>Substantive language deadline</b>	<b>Friday, December 30, 2016</b>
<b>Bill introduction deadline at 4pm</b>	<b>Thursday, January 19, 2017</b>
<b>Legislative session begins at noon</b>	<b>Monday, February 6, 2017</b>
<b>Senate bills out of Senate committees</b>	<b>Thursday, March 2, 2017</b>
<b>House bills out of House committees</b>	<b>Friday, March 3, 2017</b>
<b>Third reading of measures in chamber of origin</b>	<b>Thursday, March 23, 2017</b>
<b>House bills out of Senate committees</b>	<b>Thursday, April 13, 2017</b>
<b>Senate bills out of House committees</b>	<b>Friday, April 14, 2017</b>
<b>Third reading of measures in opposite chamber</b>	<b>Thursday, April 27, 2017</b>
<b>Sine Die deadline (Adjournment) no later than 5pm</b>	<b>Friday, May 26, 2017</b>

\*Exceptions to these deadlines are listed on the following slide.

## Deadline Exceptions

Some measures are not subject to deadlines and can be introduced and dealt with at any time during session. Major deadline exceptions are:

- Bills or joint resolutions authored by Appropriations Committee chairs and vice-chairs which affect the receipt, expenditure or budgeting of state funds;
- Bills or joint resolutions authored by the Senate President Pro Tem and House Speaker which are deemed necessary for the preservation of the public peace, health and safety;
- Bills authored by the chairs of the House or Senate Appropriations committees, the House Speaker, or the Senate President Pro Tem that are referred to the Joint Committee on Appropriations and Budget (JCAB);
- Joint resolutions introduced to approve or disapprove agency rules (Senate rules only);
- Senate bills may be introduced after the deadline if they receive a majority vote in committee to be heard as a measure authored by the committee.

Exceptions also apply to bills merging duplicate sections of law, Ethics Commission rules, special laws, and redistricting bills

Found in Senate Rules 6-22 and 6-23 and House Rule 6.1, Section b.





## First Reading

- Bill introduced by legislator;
- Bill “read” into the House or Senate Journal;
- Procedural motion – no votes required.

## Second Reading

- Preliminary action for the referral of bills to committee for discussion and debate;
- Occurs the day following first reading;
- By order of the House Speaker or Senate Pro-Tempore, the bill can be placed directly on the calendar for the consideration of the legislative body (the next legislative day).



## Committee Assignment

### **Bill Assignments are Determined by Legislative Leadership**

- Floor Leaders in consultation with the President Pro-Tem/Speaker

### **Committee Structure**

- Each committee and subcommittee has a Chair and Vice-Chair appointed by leadership
  - Chairs and Vice-Chairs are all members of the majority party;
  - In the past, some members of the minority party have been appointed as Vice-Chairs.
- Senate: 13 full standing committees and 8 appropriations subcommittees.
- House: 24 full standing committees and 10 appropriations subcommittees.
- Bills referred to the Appropriations Committee are further assigned to subcommittees for discussion and vote.
- Under Senate rules, bills affecting the receipt, expenditure or budgeting of state funds may be double-assigned to the Appropriations or Finance Committee in addition to their regular committee.



# SENATE COMMITTEE STRUCTURE AND CHAIRS

## Appropriations

	CHAIR	VICE-CHAIR
<b>Appropriations</b>	Sen. Kim David (R-Porter)	Sen. Eddie Fields (R-Wynona)
<u>Subcommittees</u>		
<b>Education</b>	Sen. Jason Smalley (R-Stroud)	Sen. Gary Stanislawski (R-Tulsa)
<b>Finance</b>	Sen. Roger Thompson (R-Okemah)	Sen. Josh Brecheen (R-Coalgate)
<b>General Government &amp; Transportation</b>	Sen. Stephanie Bice (R-Oklahoma City)	Sen. Joseph Silk (R-Broken Box)
<b>Health</b>	Sen. Rob Standridge (R-Norman)	Sen. Ervin Yen (R-Oklahoma City)
<b>Human Services</b>	Sen. AJ Griffin (R-Guthrie)	Sen. Frank Simpson (R-Springer)
<b>Natural Resources &amp; Regulatory Services</b>	Sen. Eddie Fields (R-Wynona)	Sen. Darcy Jech (R-Kingfisher)
<b>Public Safety &amp; Judiciary</b>	Sen. David Holt (R-Oklahoma City)	Sen. Anthony Sykes (R-Moore)
<b>Select Agencies</b>	Sen. Kyle Loveless (R-Oklahoma City)	Sen. Ralph Shortey (R-Oklahoma City)

## Standing Committees

COMMITTEE	CHAIR	VICE-CHAIR
<b>Agriculture and Wildlife</b>	Sen. Larry Boggs (R-Wilburton)	Sen. Josh Brecheen (R-Coalgate)
<b>Business, Commerce, &amp; Tourism</b>	Sen. Dan Newberry (R- Tulsa)	Sen. James Leewright (R-Bristow)
<b>Education</b>	Sen. Gary Stanislawski (R-Tulsa)	Sen. Ron Sharp (R-Shawnee)
<b>Energy</b>	Sen. Bryce Marlatt (R-Woodward)	Sen. Ralph Shortey (R-Oklahoma City)
<b>General Government</b>	Sen. Nathan Dahm (R- Broken Arrow)	Sen. David Holt (R-Oklahoma City)
<b>Health and Human Services</b>	Sen. Ervin Yen (R-Oklahoma City)	Sen. Rob Standridge (R-Norman)
<b>Judiciary</b>	Sen. Anthony Sykes (R-Moore)	Sen. Nathan Dahm (R-Broken Arrow)
<b>Public Safety</b>	Sen. Jack Fry (R-Midwest City)	Sen. Wayne Shaw (R-Grove)
<b>Retirement &amp; Insurance</b>	Sen. Bill Brown (R-Broken Arrow)	Sen. Marty Quinn (R-Claremore)
<b>Rules</b>	Sen. Eddie Fields (R-Wynona)	Sen. Bryce Marlatt (R-Woodward)
<b>Transportation</b>	Sen. Mark Allen (R-Spiro)	Sen. Bryce Marlatt (R-Woodward)
<b>Veterans &amp; Military Affairs</b>	Sen. Frank Simpson (R-Springer)	Sen. Larry Boggs (R-Wilburton)

House Committee Structure and Chairs			
Appropriations			
	Chair	Vice-Chair	
Appropriations	Rep. Leslie Osborn (R-Mustang)	Rep. Kevin Wallace (R-Wellston)	
Subcommittees			
Education	Rep. Scott Martin (R-Norman)	Rep. Chuck Strohm (R-Jenks)	
Finance	Rep. Earl Sears (R-Bartlesville)	Rep. John Michael Montgomery (R-Lawton)	
General Government	Rep. Charles Ortega (R-Altus)	Rep. David Brumbaugh (R-Broken Arrow)	
Health	Rep. Chad Caldwell (R-Enid)	Rep. Dale Derby (R-Broken Arrow)	
Human Services	Rep. Pat Ownbey (R-Ardmore)	Rep. Kyle Hilbert (R-Depew)	
Judiciary	Rep. Kevin Calvey (R-Oklahoma City)	Rep. Mike Osburn (R-Edmond)	
Natural Resources & Regulatory Services	Rep. John Pfeiffer (R-Orlando)	Rep. Carl Newton (R-Cherokee)	
Public Safety	Rep. John Bennett (R-Sallisaw)	Rep. Mark Lepak (R-Claremore)	
Select Agencies	Rep. Dennis Casey (R-Morrison)	Rep. Elise Hall (R-Bethany)	
Transportation	Rep. Dustin Roberts (R-Durant)	Rep. Avery Frix (R-Muskogee)	20

# HOUSE COMMITTEE STRUCTURE AND CHAIRS

## Standing Committees

COMMITTEE	CHAIR	VICE-CHAIR
<b>Administrative Rules</b>	Rep. John Paul Jordan (R-Yukon)	Rep. Tess Teague (R-Choctaw)
<b>Agriculture &amp; Rural Development</b>	Rep. Scooter Park (R-Devol)	Rep. Rick West (R-Heavener)
<b>Banking, Financial Services, &amp; Pensions</b>	Rep. Randy McDaniel (R-Edmond)	Rep. Scott McEachin (R-Tulsa)
<b>Business, Commerce, &amp; Tourism</b>	Rep. Dan Kirby (R-Tulsa)	Rep. Roger Ford (R-Oklahoma City)
<b>Children, Youth &amp; Family Services</b>	Rep. Travis Dunlap (R-Bartlesville)	Rep. Mark Lawson (R-Sapulpa)
<b>Common Education</b>	Rep. Michael Rogers (R-Broken Arrow)	Rep. Rhonda Baker (R-Yukon)
<b>County &amp; Municipal Government</b>	Rep. Sean Roberts (R-Hominy)	Rep. JJ Humphrey (R-Lane)
<b>Elections &amp; Ethics</b>	Rep. Todd Russ (R-Cordell)	Rep. Dell Kerbs (R-Shawnee)
<b>Energy &amp; Natural Resources</b>	Rep. Weldon Watson (R-Tulsa)	Rep. Mark McBride (R-Moore)
<b>Government Oversight &amp; Accountability</b>	Rep. George Faught (R-Muskogee)	Rep. Kevin McDugle (R-Broken Arrow)
<b>Government Modernization</b>	Rep. Jason Murphey (R-Guthrie)	Rep. Tom Gann (R-Inola)
<b>Health Services &amp; Long-Term Care</b>	Rep. John Enns (R-Enid)	Rep. Carol Bush (R-Tulsa)
<b>Higher Education &amp; Career Tech</b>	Rep. Jadine Nollan (R-Sand Springs)	Rep. Tammy West (R-Bethany)
<b>Insurance</b>	Rep. Lewis Moore (R-Arcadia)	Rep. Marcus McEntire (R-Duncan)
<b>Judiciary – Civil &amp; Environmental</b>	Rep. Chris Kannady (R-Oklahoma City)	Rep. Tim Downing (R-Purcell)
<b>Judiciary – Criminal Justice &amp; Corrections</b>	Rep. Scott Biggs (R-Chickasha)	Rep. Rande Worthen (R-Lawton)
<b>Public Health</b>	Rep. Mike Ritze (R-Broken Arrow)	Rep. Sean Roberts (R-Hominy)
<b>Public Safety</b>	Rep. Bobby Cleveland (R-Slaughterville)	Rep. Greg Babinec (R-Cushing)
<b>Rules</b>	Rep. Josh Cockroft (R-Wanette)	Rep. Kevin West (R-Moore)
<b>Transportation</b>	Rep. Steve Vaughan (R-Ponca City)	Rep. Ryan Martinez (R-Edmond)
<b>Utilities</b>	Rep. Todd Thomsen (R-Ada)	Rep. Casey Murdock (R-Felt)
<b>Veterans &amp; Military Affairs</b>	Rep. Tommy Hardin (R-Madill)	Rep. Josh West (R-Grove)
<b>Wildlife</b>	Rep. Jeff Coody (R-Grandfield)	Rep. Scott Fetgatter (R-Okmulgee)



## Committee Hearing

- Bills are considered by committees only if put on the agenda by the chair.
- Committee hearings may offer opportunities for supporters and opponents of legislation to have their voices heard.
- Bills can be changed through amendments. A substantial change to a bill is rewritten as a “Committee Substitute.”
- Bills are reported from committee with recommendations.
  - If the bill is not heard or it fails to receive a simple majority vote, it is said to “die in committee” (or “report progress”);
  - If the bill received a “do pass” motion and secured a majority vote of the committee members, the bill is printed and placed on the general order for consideration by the full body of the chamber.
- Bills assigned to the Appropriations Committee must be approved by the subcommittee and the full committee before advancing.



# POLICY PATH

## Third Reading

- From committee, bills are placed on General Order and then brought up for a third reading for the full body of the chamber.
- Substantial changes to a bill are written as a “Floor Substitute.” House rules require that Floor Substitutes be submitted 48 hours prior to a bill’s hearing.
- All bills must receive support from a majority of the full membership to pass (51 votes in the House, 25 in the Senate). Emergency Clauses attached to bills and measures that change the constitution require 2/3<sup>rd</sup>s majority vote.
- All bills have titles. If members “Strike the Title,” the bill becomes “defective” or “crippled.” This action ensures that it will come back for further consideration. This mostly happens to bills containing financial impacts to the state or that are works in progress.
- Bills that pass are sent to the other chamber.



## Opposite Chamber

- Following successful passage of a bill in its chamber of origin, it becomes “engrossed” and is sent to the opposite chamber.
- Bills advance through the same process of First Reading, Second Reading, committee consideration, and Third Reading as in the original chamber.
  - There are some variations in the procedures used by each chamber as specified by the House and Senate Rules.
  - Bills can have their titles stricken during this process.
  - For bills that already have stricken titles, the second chamber may “Strike the Enacting Clause,” which further ensures that the bill will not advance without further consideration by both chambers.
- If bills pass the opposite chamber unchanged, they become “enrolled” and are sent to the Governor for her action.
- If bills are amended in any way, they are returned to the original chamber for additional consideration.



## After Third Reading

- Once the bill returns to the original chamber, the author can:
  - Move to accept the amendments. If approved by a vote of the chamber, it is moved to Fourth Reading and Final Passage under the same rules as Third Reading; OR
  - Move to reject the amendments and send the bill to conference committee.
- Bills with stricken titles and/or enacting clauses must be sent to a conference committee to advance further.

## Conference Committee

- Committees contain at least three members assigned by House and Senate leadership.
- Appropriations bills and bills with budgetary impacts may be referred to the General Conference Committee on Appropriations (GCCA).
- Beginning in 2011, the House has established eight permanent standing conference committees that hold public meetings and votes. Previously, few conference committees other than the GCCA actually met. On the Senate side, conference committee negotiations remain closed to the public.

## JCAB

- The Joint Committee on Appropriations and Budget (JCAB) is a committee governed by separate rules from most legislative committees. It is typically used as a way for House and Senate leadership to introduce and approve new bills in the final weeks of the legislative session.





## Conference Committee Reports

- A Conference Committee can:
  - Accept the amendments from both houses.
  - Reject the amendments of both houses and propose a Conference Committee Substitute.
  - Conference Committee Substitutes can at times bear little resemblance to the original legislation proposed. They may contain language from bills that were defeated or not heard earlier in session.
- Action taken by a Conference Committee results in a Conference Committee Report (CCR). The report must gain a majority of signatures from members assigned to the committee from each chamber.
- CCRs must be filed and posted online for a minimum of 24 hours before they can be considered by the House.
- CCRs are submitted to a vote of the originating chamber first. Reports can be approved or rejected, but not amended.
- If a CCR is approved, it is then brought up for a vote on fourth and final reading. If approved, the CCR is brought to the second chamber for approval.
- If a CCR is rejected, another conference may be requested with the same or different members appointed by the two chambers.



## Action by the Governor

- An enrolled bill approved by both chambers is transmitted to the Governor. The Governor can do the following:
  - Sign the bill into law within five days.
  - Allow the bill to become law by taking no action within five days when the legislature is in session.
  - Veto the entire bill. The legislature can override the Governor by a 2/3<sup>rd</sup> majority vote (68 votes from the House and 32 from the Senate). If the bill contains an emergency clause, the veto must be overridden by a 3/4<sup>th</sup> majority vote (76 votes from the House and 36 from the Senate).
  - Line-item veto spending items in appropriations bills. Such vetoes are similarly subject to being overridden by the legislature.
  - Following legislative adjournment, the Governor has fifteen days to sign the bill, veto a bill, or exercise a “pocket veto” by taking no action.





## To Find the Status and History of a Bill

1. Go to **[www.oklegislature.gov](http://www.oklegislature.gov)**
2. Under the “Legislation” menu:
  - Select “Basic Bill Search” if you know the bill number and it is from the current session.
  - Select “Advanced Search Form” if you want to find multiple bills, bills from previous sessions, and/or all bills authored by a particular legislator.
  - Select “Text of Measures” to see all measures in a particular session and chamber, or select “Search Text of Measures” to find a particular word or phrase in a current bill.

*NOTE:* “Introduced” is the initial version of a bill.

“Engrossed” is the version that passed the first chamber.

“Enrolled” is the final version.

# BUDGET PROCESS

## Revenue and Budget

- The legislature appropriates for the upcoming fiscal year (July 1 to June 30).
- Constitutional Tax & Budget Restrictions:
  - The Oklahoma Constitution requires a balanced budget.
  - Under SQ 640, revenue bills must be approved by a 3/4<sup>th</sup>s vote of the legislature or a vote of the people at the time of the next general election.
  - Appropriations cannot be increased year to year by more than 12 percent plus inflation.
- Appropriation totals are based on projected revenue as certified by the Equalization Board in December (preliminary) and in February (final).
- The Board projects upcoming revenue for the year for each appropriated fund based on estimates of tax collections.

*For a complete discussion of the budget process and glossary of terms, see OK Policy's Online Budget Guide at <http://okpolicy.org/resources/online-budget-guide/>.*





# BUDGET PROCESS

## Budget Timeline

January	February	March	April	May	June
Governor Submits the Executive Budget to the Oklahoma State Legislature for Consideration	Legislature in Session				State agencies submit budget work program to Office of Management & Enterprise Services for approval
	Legislative Review of State Agency Budgets; Passage of Budgets for State Agencies				
	Final Review of Available Revenue for Expenditure by State Legislature by the State Board of Equalization				
July	August	September	October	November	December
July 1 Beginning of the new Fiscal Year		State agencies submit budget request to the Office of Management & Enterprise Services	OMES Reviews State Agency Budget Requests; House and Senate Committees Hold Agency Performance Review Hearings		
					Preliminary Certification of State Revenue by the State Board of Equalization for next year

## Appropriating Revenue

- The largest fund subject to appropriations is the General Revenue (GR) Fund. Other major funds have restricted purposes.
- The legislature cannot appropriate more than 95 percent of certified funds for the upcoming year. This allows for a budgetary cushion in case of a revenue shortfall.
- During the fiscal year, if GR falls below 95 percent of the certified projection, a budget shortfall is declared and across-the-board cuts proportional to the shortfall become necessary.
- Some funds are not certified and the legislature can appropriate 100% of the projected revenues (e.g. HB 1017 Education Reform Fund).



# BUDGET PROCESS

## Rainy Day Fund

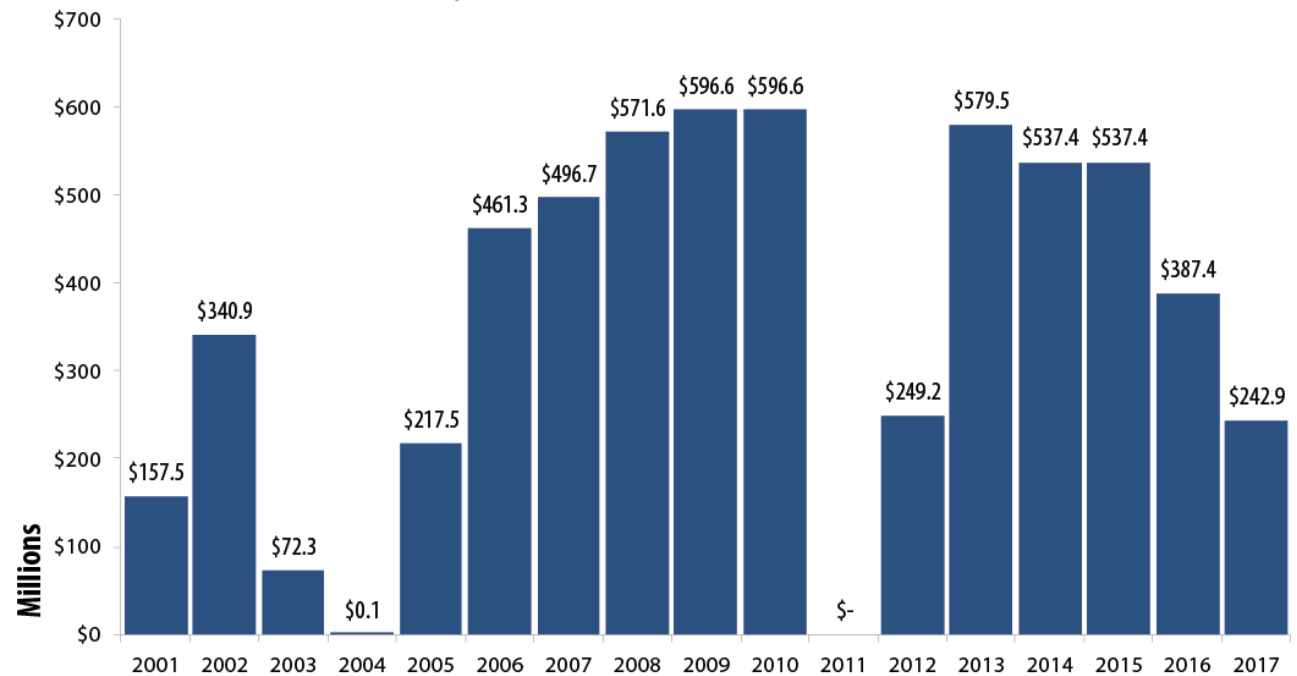
- General Revenue collections exceeding 100% of certification are deposited in the Constitutional Reserve Fund (known as the Rainy Day Fund), created in 1985.
- Money in the Rainy Day Fund can be spent as follows:
  - Up to  $3/8^{\text{th}}$  for a shortfall in *current year General Revenue collections*;
  - Up to an additional  $3/8^{\text{th}}$  if projected General Revenues collections for the *upcoming year are below* General Revenue collections for the current fiscal year;
  - Up to an additional  $1/4^{\text{th}}$  upon declaration of an Emergency and legislative approval; and
  - Up to \$10 million from the RDF on tax incentives for at-risk manufacturers [SQ 725, 2006]



## Rainy Day Fund History

- FY '03 - '04: Rainy Day Fund (RDF) depleted
- FY '06 - '08: RDF filled to constitutional cap
- RDF spent in 2010 Session for FY'10 and FY'11 operations
- \$249.2 million deposited at end of FY'11
- Additional \$328.3 million deposited at end of FY '12
- \$45 million spent on tornado relief and \$2.7 million deposited in FY '13
- \$150 million spent on FY'16 operations
- \$79 million spent to ease mid-year revenue failures in FY'16 and \$66 million spent on FY '17 operations

### Rainy Day Fund Balances, FY '01 - FY '17 in \$ Millions; all Balances as of Start of Fiscal Year





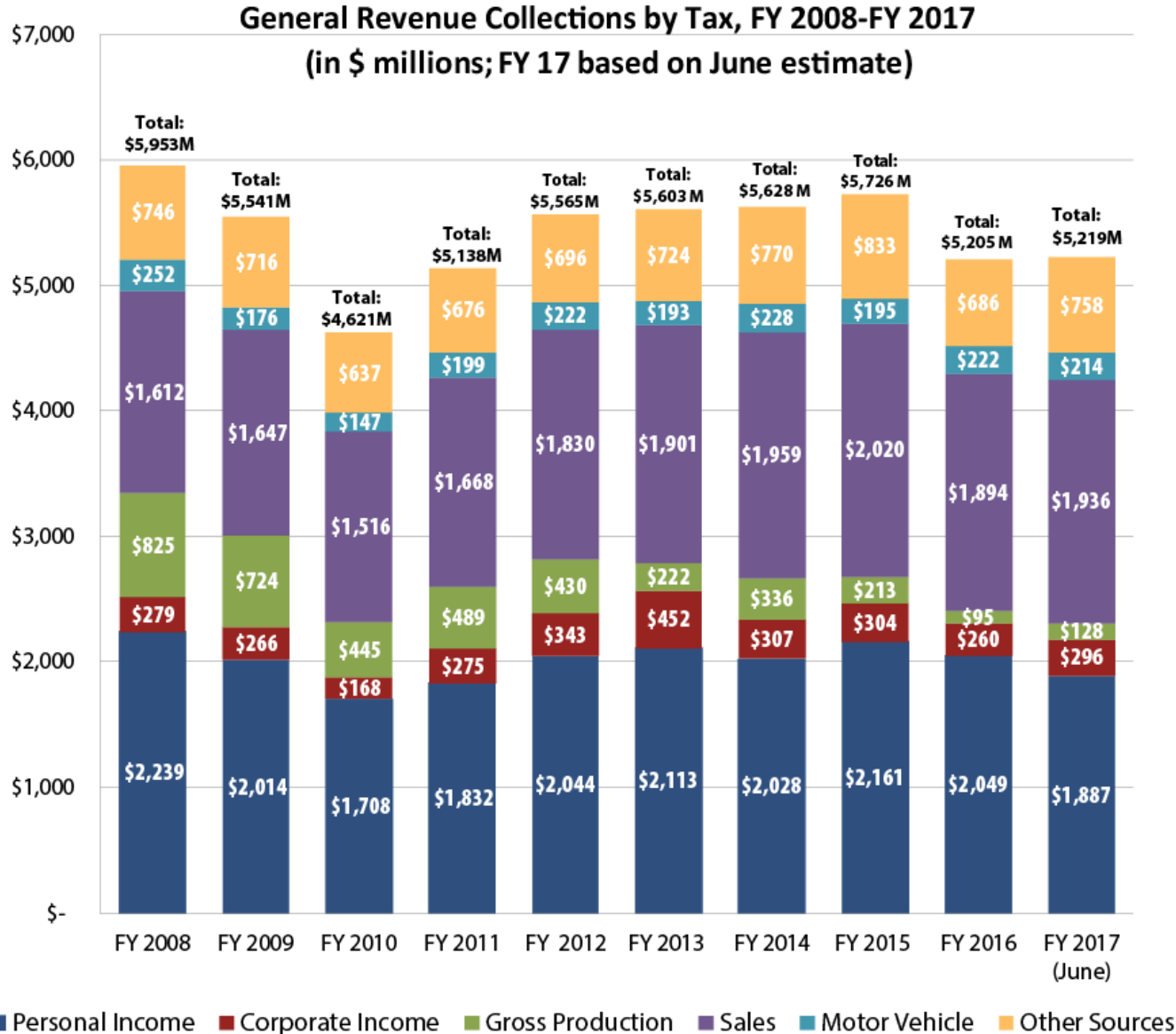
## State Budget

- State agencies combine funding streams and sources. Three main funding sources pay for government operations and programs:
  - State Appropriated Funds,
  - Federal Funds, and
  - Revolving Funds (fees, millage, co-pays, etc).
- State agencies are either *appropriated* or *non-appropriated*.
  - Non-appropriated agencies are funded through fees, assessments, contributions, etc. (examples: Oklahoma Public Employees Retirement System, State Banking Department, Board of Nursing, and others).



# BUDGET PROCESS

## General Revenue Collections

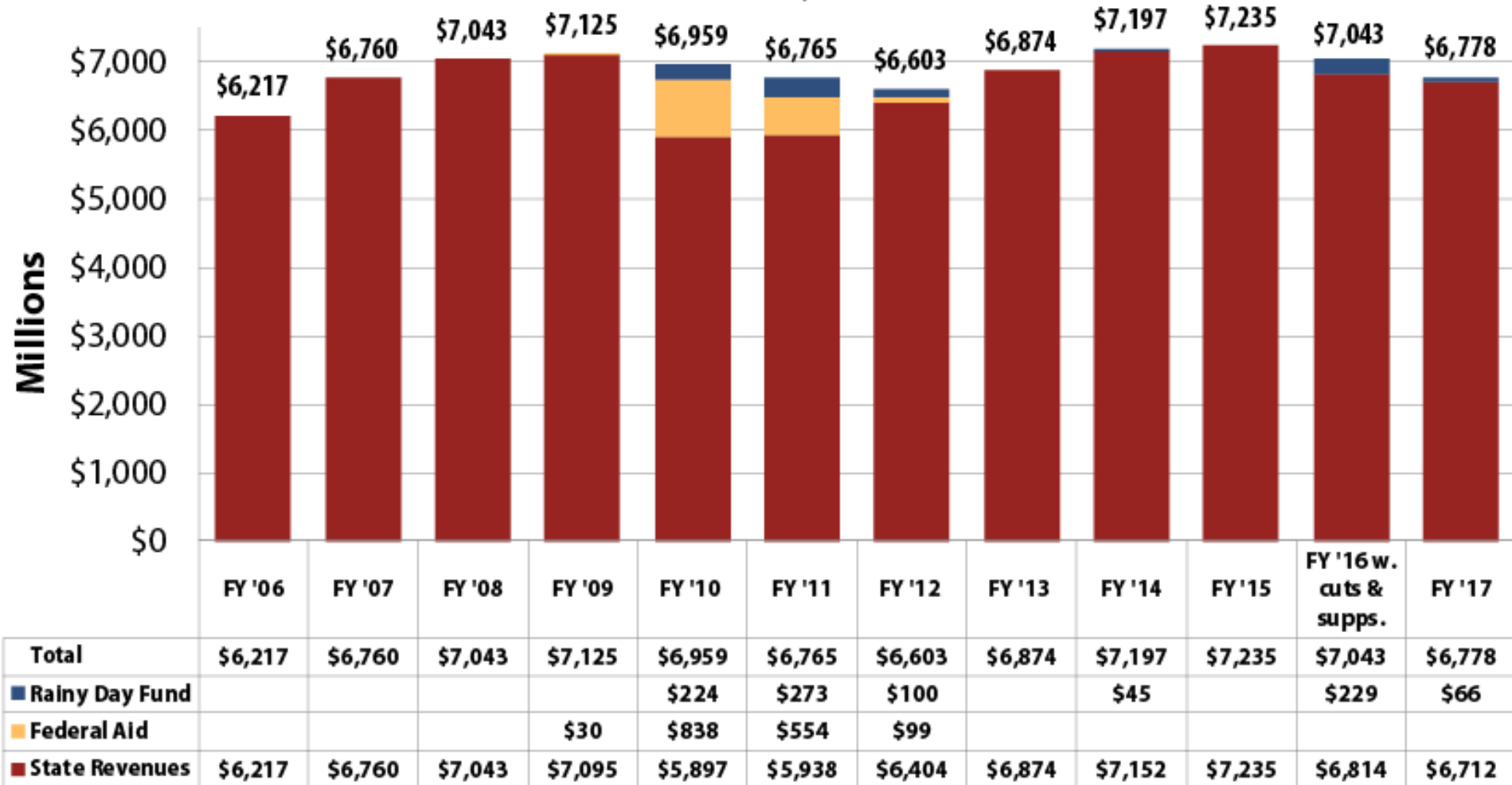


# BUDGET PROCESS

**FY 2017 appropriations are \$265 million less than the final FY 2016 budget.**

## Oklahoma State Appropriations, FY 2006 - FY 2017

(in \$ millions, includes mid-year cuts & supplementals)

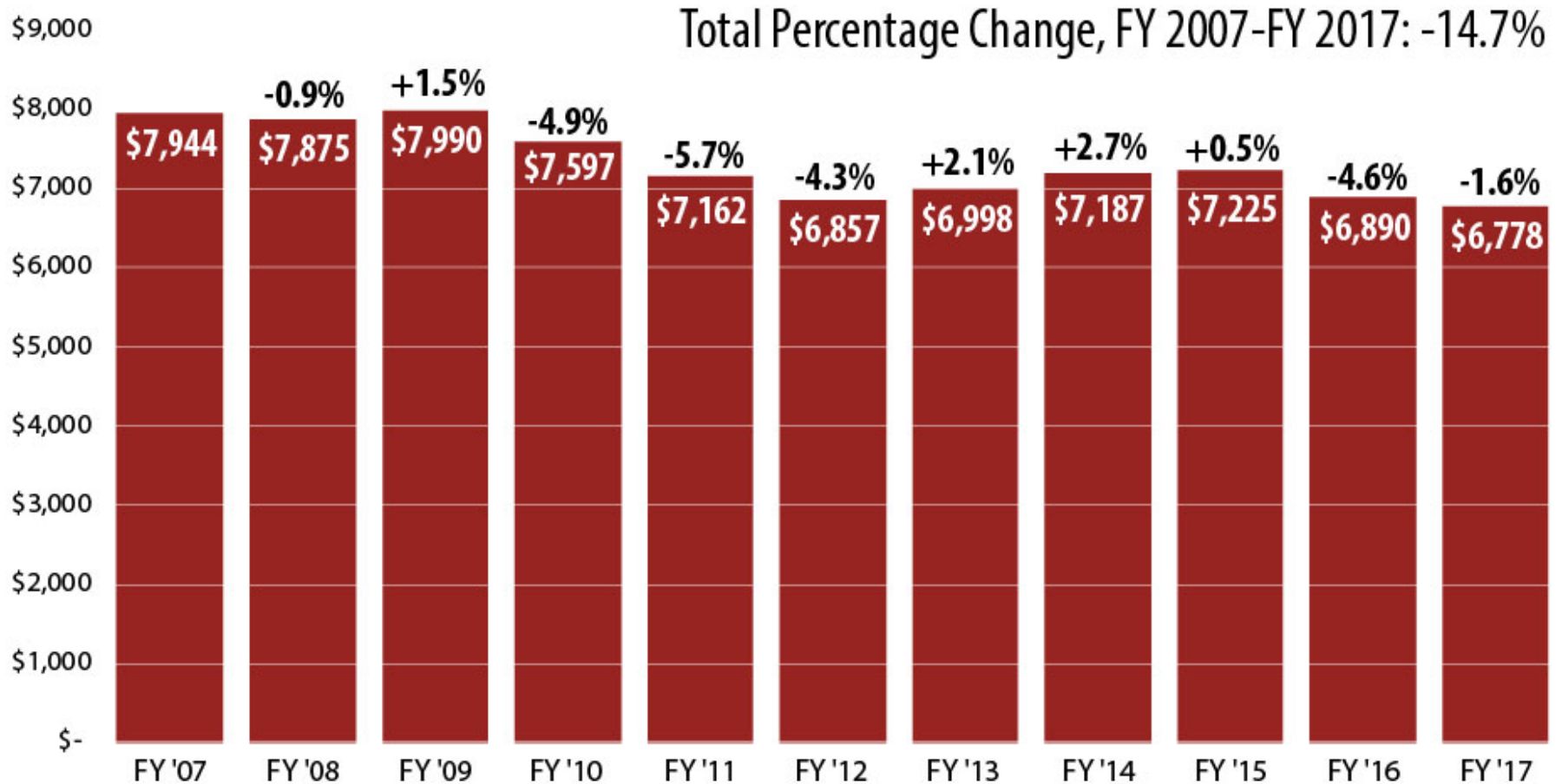


# BUDGET PROCESS

**In inflation-adjusted dollars, the FY 2017 budget is \$1.17 billion, or 14.7 percent, below the FY 2007 budget.**

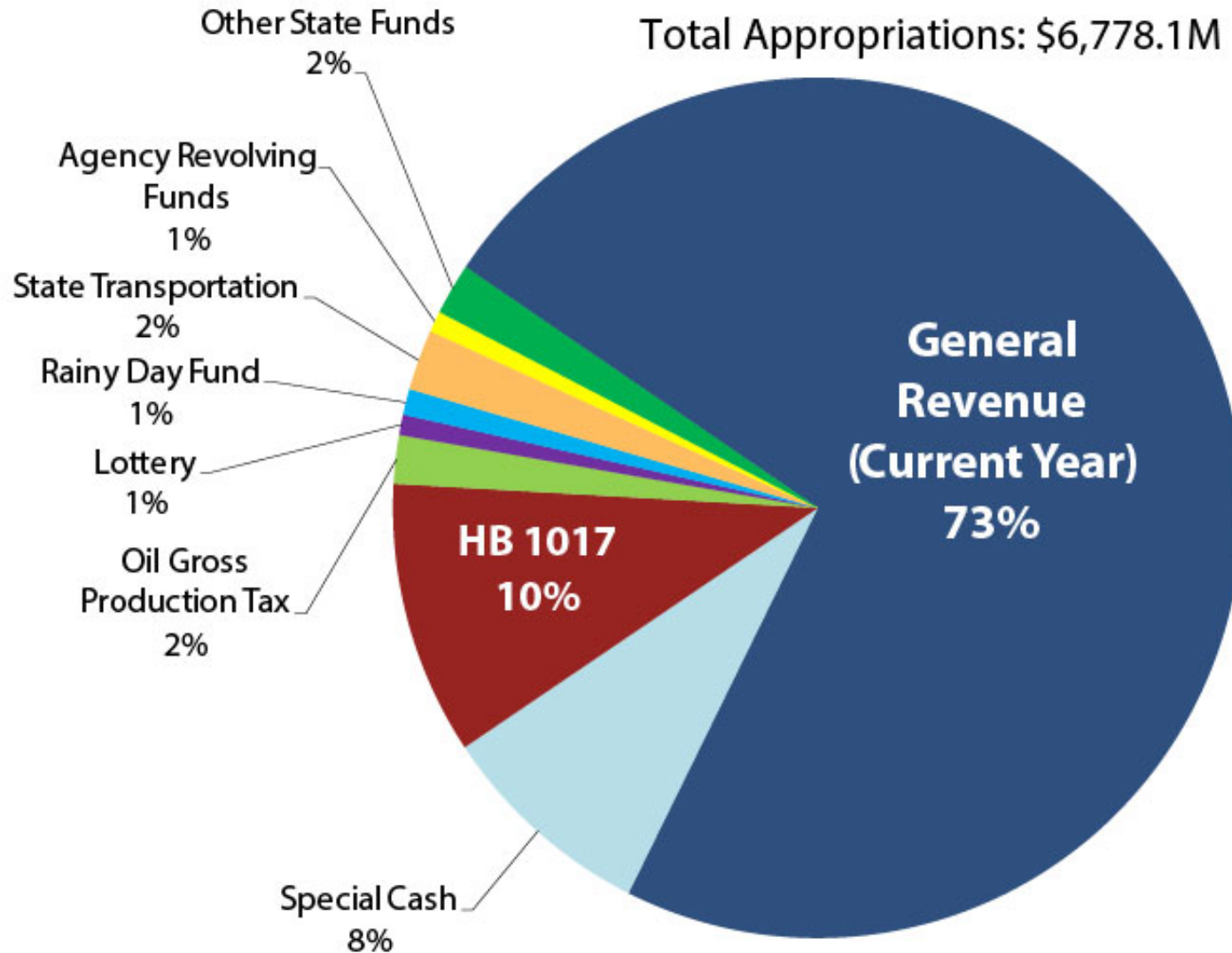
## **Total State Appropriations and Annual Change, 2016 Dollars**

(in \$ millions; adjusted to Q1 2016 dollars using State and Local Government Implicit Price Deflator)



# BUDGET PROCESS

## FY 2017 Appropriations Revenue Sources



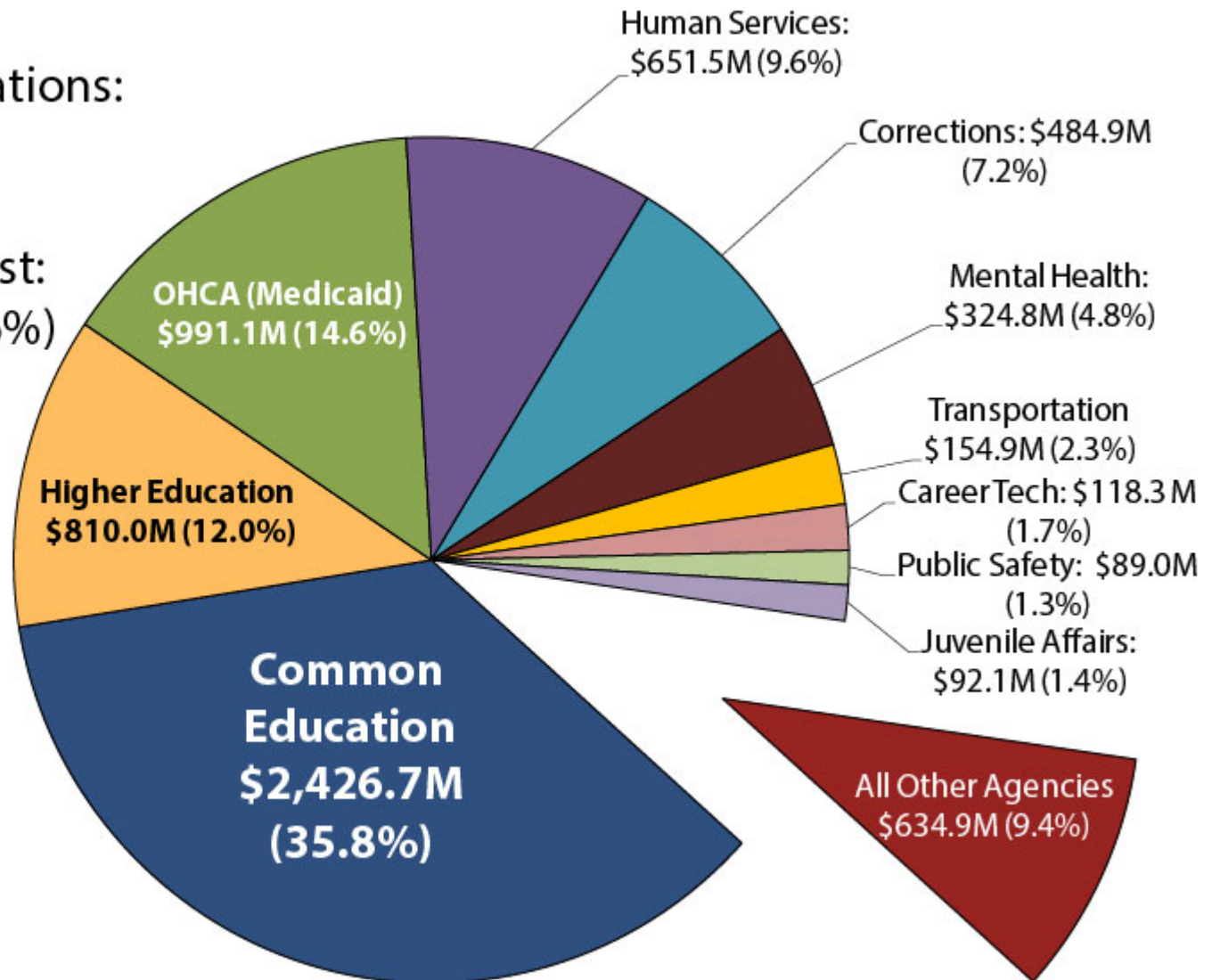


# BUDGET PROCESS

## FY 2017 Appropriations to Ten Largest Agencies

Total Appropriations:  
\$6778.1M

Total Ten Largest:  
\$6,143.2M (90.6%)



# RECENT OFFICE HOLDERS



	<b>Governor</b>	<b>House Speaker</b>	<b>Senate Pro Tem</b>
2017-18	Mary Fallin	Charles McCall	Mike Schulz
2015-16	Mary Fallin	Jeff Hickman	Brian Bingman
2013-14	Mary Fallin	TW Shannon/Jeff Hickman	Brian Bingman
2011-12	Mary Fallin	Kris Steele	Brian Bingman
2009-10	Brad Henry	Chris Benge	Glenn Coffee
2007-08	Brad Henry	Lance Cargill/ Chris Benge	Mike Morgan/Glenn Coffee
2005-06	Brad Henry	Todd Hiatt	Cal Hobson/Mike Morgan
2003-04	Brad Henry	Larry Adair	Cal Hobson
2001-02	Frank Keating	Larry Adair	Stratton Taylor
1999-00	Frank Keating	Lloyd Benson	Stratton Taylor
1997-98	Frank Keating	Lloyd Benson	Stratton Taylor
1995-96	Frank Keating	Glen Johnson	Stratton Taylor
1993-94	David Walters	Glen Johnson	Bob Cullison
1991-92	David Walters	Glen Johnson	Bob Cullison
1989-90	Henry Bellmon	Jim Barker/Steve Lewis	Bob Cullison
1987-88	Henry Bellmon	Jim Barker	Rodger Randle
1985-86	George Nigh	Jim Barker	Rodger Randle
1983-84	George Nigh	Dan Draper/Jim Barker	Marvin York



Republicans

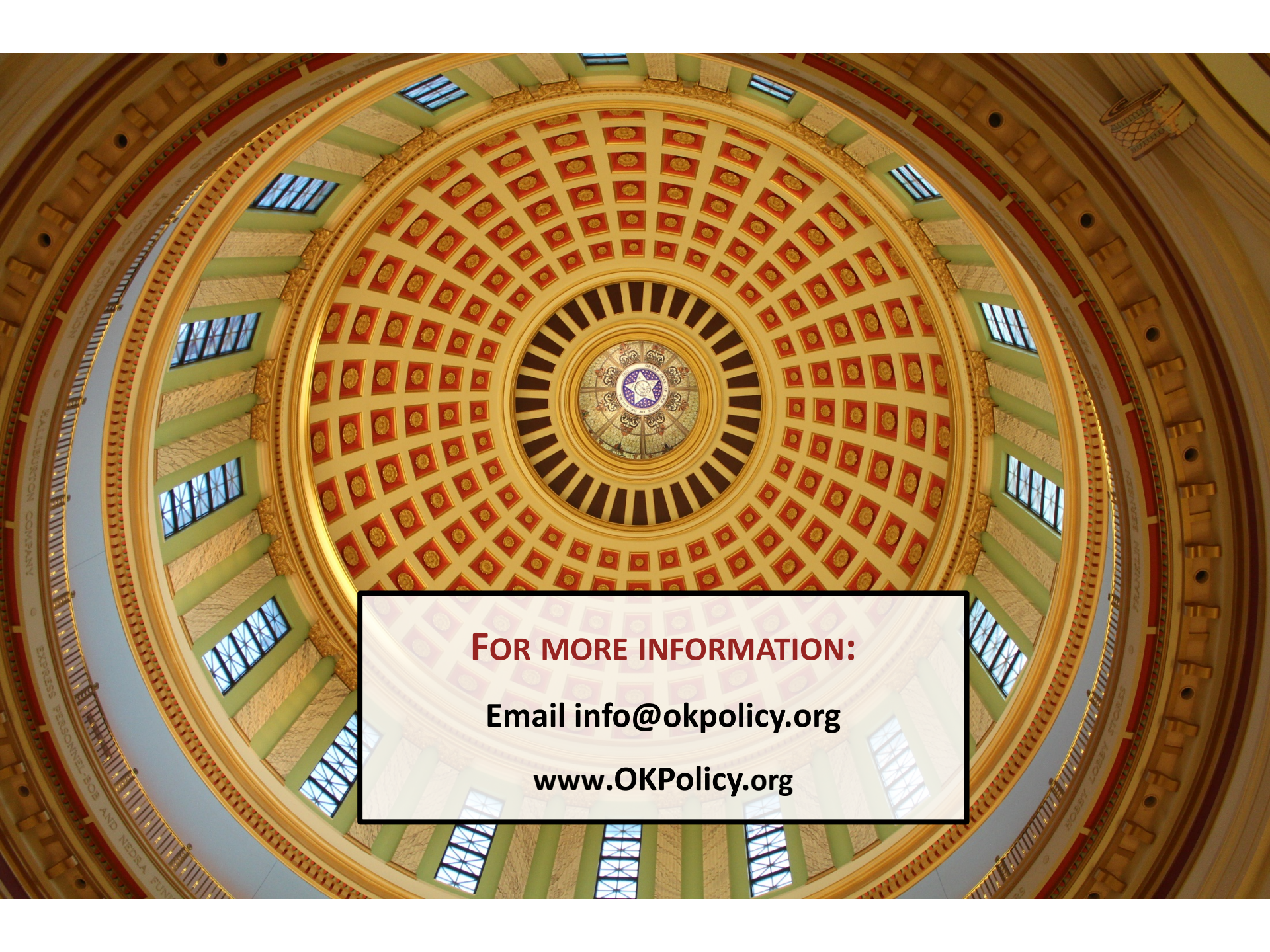


Democrats

## Helpful Online Resources

- The Online Budget Guide, CountySTATS Data App, Bill Tracker, the OK Policy Blog, and more at **[www.okpolicy.org](http://www.okpolicy.org)**
- Together Oklahoma: **[www.togetherok.org](http://www.togetherok.org)**
  - Advocacy tips & how to talk to your legislators
- Oklahoma Legislature Home Page: **[www.oklegislature.gov](http://www.oklegislature.gov)**
  - Link to House and Senate Homepages
  - Check Legislation – status, wording, intent, etc
  - Search OK Statutes and Constitution
- State Homepage: **[www.ok.gov](http://www.ok.gov)**
- Office of Management and Enterprise Services: **[www.ok.gov/OSF/](http://www.ok.gov/OSF/)**
  - Governor's Annual Budget
  - Certification Estimates
- State Treasurer's Office: **[www.ok.gov/treasurer/](http://www.ok.gov/treasurer/)**
  - Monthly Revenue Reporting
- Open Books – Oklahoma's Finances: **[www.ok.gov/okaa/](http://www.ok.gov/okaa/)**
  - State spending and budget info
- OAEC Oklahoma Legislature Mobile App:  
**[www.oaec.coop/legislative\\_center/?page=legislativepromo](http://www.oaec.coop/legislative_center/?page=legislativepromo)**





**FOR MORE INFORMATION:**

Email [info@okpolicy.org](mailto:info@okpolicy.org)

[www.OKPolicy.org](http://www.OKPolicy.org)