



2018 **ONEVOICE REGIONAL LEGISLATIVE AGENDA**

LEGISLATIVE BENEFACTORS







2018 ONEVOICE REGIONAL LEGISLATIVE AGENDA

THE ONEVOICE COALITION SUPPORTS:

STATE BUDGET STABILITY

In recognition of broad agreement that Oklahoma’s budget instability has become a top concern for job creators, participants in this year’s OneVoice task force process elected a committee to represent their views in a unifying statement. A special addendum to the 2018 agenda, this statement compiles the diverse viewpoints of nine task forces made up of hundreds of public and private leaders spanning all major industries.

- 6 Sustainable Budget and Revenue Streams

EDUCATED AND HEALTHY WORKFORCE

The greatest challenge to Oklahoma businesses is finding talented employees. The states workforce gap damages our business’ ability to grow and threatens to force companies to look elsewhere for relocation and expansion. A healthy workforce is a vital component of this: healthy workers are productive workers, and no economy can thrive without them.

STATE PRIORITIES:

- 7 Address the Teacher Shortage
- 8 Fund Public Education for the 21st Century
- 9 Health Care Workforce Expansion
- 10 Local Funding of Education
- 11 Protect Health Coverage
- 12 Support Behavioral Health Services
- 13 Workforce Development through TANF Funds

FEDERAL PRIORITIES:

- 23 AmeriCorps Funding
- 24 Federal Health Care Reform
- 25 Fund Pell Grant Program
- 26 Mental Health Reform
- 27 Protect Federal Nutrition Programs
- 28 Support Pell Eligibility for Short-Term, Industry-Driven Training
- 29 Support Training of Middle-Skill Workers

ENSURING A PROSPEROUS ECONOMY

Ensuring Oklahoma has the tools it needs to compete for jobs with other states is crucial for us to ensure a prosperous economy. But the world of economic development has changed: while tax rates and economic incentives still play an important role, we must maximize our workforce availability, creating an attractive destination for young talent and ensuring that all government entities – federal, state, county and city – are able to work together effectively.

STATE PRIORITIES:

- 14 Criminal Justice Reform
- 15 Economic Incentives
- 16 Fund OCAST
- 17 Modernize Oklahoma’s Alcohol Laws
- 18 Municipal Funding Diversification
- 19 Promote Robust Energy Production
- 20 Support Sensible Water Policy and Environmental Funding

FEDERAL PRIORITIES:

- 30 Collection of Online Sales/Use Taxes
- 31 Eliminate Barriers to Greater Use of Natural Gas
- 32 Federal Criminal Justice Reform
- 33 Federal Historic Tax Credits
- 34 Maintain Funding for EPA Brownfields Program
- 35 SBA Loan Programs

BUILDING INFRASTRUCTURE CRITICAL TO BUSINESS

The health of our transportation network is key to recruiting and retaining jobs in Oklahoma. Site selectors, who review prospective locations for client businesses, regularly identify safe, efficient transportation systems as a top factor to identify possible locations.

STATE PRIORITIES:

- 21 Support Critically Needed Road Funding

FEDERAL PRIORITIES:

- 36 McClellan-Kerr Arkansas River Navigation System
- 37 Tulsa’s Levee System



STEVE BRADSHAW
Chair, Tulsa Regional Chamber
President & CEO, BOK Financial Corp.

SPEAKING WITH ONE VOICE

A stable budget. A workforce trained and ready for the 21st century economy. Robust growth and a healthy transportation network. These are the underlying principles of the 2018 OneVoice Regional Legislative Agenda, a powerful tool to communicate the priorities of northeast Oklahoma’s business community to state and federal policymakers.

Now in its 11th year, the OneVoice agenda is both a call to action and a response to critical economic needs. The 2018 agenda is a product of input from 169 unique businesses and organizations. Between task forces and the annual OneVoice Regional Legislative Summit, more than 400 individuals committed their time and energy to solidify the contents of this document.

With this year’s agenda, we again set our sights on long-term prosperity for our state. The issues here reflect our region’s needs for a solid foundation for business growth. The 2018 agenda also acknowledges the unfortunate reality that Oklahoma’s budget crisis jeopardizes our momentum. Fiscal uncertainty and volatile revenue have become a top concern for job creators. The OneVoice budget addendum was crafted by a steering subcommittee that represents all nine task forces and diverse views from the broader OneVoice process. The budget subcommittee’s work will continue as it devises potential solutions to budget concerns throughout 2018.

The policy positions detailed in the agenda carry the endorsement of Tulsa-area chambers of commerce, cities, counties, educational institutions and economic development groups – more than 70 entities in total.

These organizations agree: OneVoice is more than just a legislative agenda. It is the collective voice of our communities, created from a culture of collaboration that unites the Tulsa region and the institutions advancing its economy. Few coalitions of this size and scope exist anywhere in the country, and it is certainly the most comprehensive of its kind in Oklahoma today.

The coming year has great promise, and we commend our state and federal elected leaders for taking on the responsibility of bettering of our communities and our economy. Speaking with one voice, our region will continue to prosper and thrive.



ROGER RAMSEYER
Vice Chair, Government Affairs
Market Vice President, Cox
Communications



MICHAEL NEAL, CCE, CCD
President & CEO
Tulsa Regional Chamber



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onevoice

2018 ONEVOICE COALITION

Bartlesville Regional Chamber of Commerce
Bixby Metro Chamber of Commerce
Bixby Public Schools
Broken Arrow Chamber of Commerce
Broken Arrow Economic Development Corporation
Broken Arrow Public Schools
Catoosa Chamber of Commerce
Catoosa Public Schools
City of Bixby
City of Broken Arrow
City of Catoosa
City of Claremore
City of Collinsville
City of Glenpool
City of Jenks
City of Mannford
City of Okmulgee
City of Sapulpa
City of Tulsa
Claremore Industrial Economic Development Authority
Claremore Public Schools
Cleveland Chamber of Commerce
Coalition of Tulsa Area Governments
Collinsville Chamber of Commerce
Collinsville Public Schools
Glenpool Chamber of Commerce
Greater Tulsa Association of Realtors
Greenwood Chamber of Commerce
Indian Nations Council of Governments
Indo-American Chamber of Commerce
Jenks Chamber of Commerce
Jenks Public Schools
Liberty Public Schools
Mannford Chamber of Commerce
Metro Tulsa Hotel & Lodging Association
Mid-America Industrial Park
Muskogee Chamber of Commerce
Northeastern State University
Oklahoma State University - Center for Health Sciences
Okmulgee Area Development Corporation
Okmulgee Chamber of Commerce
OSU - Tulsa
OU - Tulsa
Owasso Chamber of Commerce
Owasso Public Schools
Port of Catoosa
Pryor Public Schools
Rogers County
Rogers County Industrial Development Authority
Rogers State University
Sand Springs Area Chamber of Commerce
Sand Springs Public Schools
Sapulpa Chamber of Commerce
Sapulpa Public Schools
Skiatook Chamber of Commerce
Skiatook Public Schools
Tahlequah Chamber of Commerce
The University of Tulsa
Tulsa Community College
Tulsa County
Tulsa County Medical Society
Tulsa Health Department
Tulsa Hispanic Chamber
Tulsa Public Schools
Tulsa Regional Chamber
Tulsa Small Business Connection
Tulsa Tech
Tulsa's Future III
TYPros Leadership Team
Union Public Schools
Workforce Tulsa

**This list was current as of publication. For the full and current list, see the advocacy section of tulsachamber.com.*

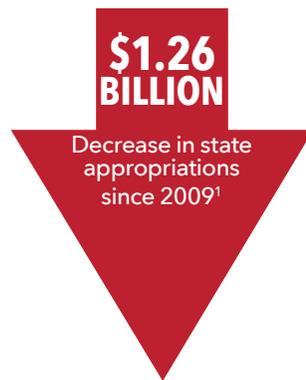


STATE BUDGET STABILITY

SUSTAINABLE BUDGET AND REVENUE STREAMS

After nearly a decade of state budget instability and four years of shortfalls approaching \$1 billion annually, the time for bipartisan action is now. Funding for essential state services has eroded to a level that critically threatens the future of our citizens and the national competitiveness of our economy. While we expect efforts to seek efficiencies and eliminate waste to continue, these will not resolve our near-term needs. The OneVoice coalition demands of our elected leaders an immediate, long-term and effective solution for meeting the needs of Oklahoma's core services that includes new, stable, recurring revenue streams.

In recognition of broad agreement that Oklahoma's budget instability has become a top concern for job creators, participants in this year's OneVoice task force process elected a committee to represent their budget views in a unifying statement. A special addendum to the 2018 agenda, this statement compiles the diverse viewpoints of nine task forces made up of hundreds of public and private leaders spanning all major industries.



Concerns about the state budget remain consistent among Northeast Oklahoma businesses, economic development groups, trade associations and local governments. These members of the OneVoice coalition agree that Oklahoma's structural budget deficit and repeated cuts to core services are the greatest threat to the state's ability to maintain a foundation for economic growth.

Our state continues to make headlines as the leader in per-pupil cuts to K-12 and higher education funding, prompting four-day school weeks and regionally low teacher salaries. We also struggle to maintain basic health services and fund our plans to meet transportation needs. With already poor rankings in education, health and other areas, companies and workers both inside and outside the state are hearing the message that Oklahoma is choosing not to invest in its own future.

Repeated budget shortfalls and the threat of deepening cuts create an unstable climate for the state. Oklahoma residents and businesses

cannot plan for the future and be confident in the long-term vitality of our state with the threat of imminent cuts year after year. Oklahomans want a transparent, functional budget process that creates long-term stability for the state even in times of economic downturn.

There are always efficiencies to be found in government, and the business community supports work to make government as effective and efficient as possible. However, after many years of cuts, efficiencies cannot be the only answer. Cuts with no meaningful evaluation of the state's true needs should not be considered a solution. Oklahoma has a revenue and a structural-deficit problem. State leaders must find ways to bring stability to the budget process while sufficiently funding core services.

The OneVoice coalition supports identifying best practices from states around the nation and implementing innovative solutions to bring sustainability to Oklahoma's budget.

¹ Adjusted for inflation.



EDUCATED AND HEALTHY WORKFORCE | STATE PRIORITIES

ADDRESS THE TEACHER SHORTAGE

Improve the ability of Oklahoma's Pre-K-12 public schools to attract and retain effective career teachers through policies designed to increase the state's pool of qualified teachers and improve teachers' job satisfaction. This should include ensuring regionally competitive teacher pay, exploring incentive pay for special education teachers and teachers in high-need districts, incentivizing education for aspiring teachers through higher education programs, and supporting professional development. Oklahoma's ability to fill its growing teacher shortage with quality, effective teachers is crucial to the college and career success of its students and the sustainability of its workforce.

1 State Department of Education.

2 Oklahoma State School Boards Association; "2017 Teacher Shortage Survey." <https://www.ossba.org/2017/08/22/oklahomas-teacher-shortage-deepens/>

3 Matthew D. Hendricks, University of Tulsa; "An empirical analysis of teacher salaries and labor market outcomes in Oklahoma."

4 STAND for Children - Oklahoma; "Oklahoma Teachers Matter Listening Tour Report." www.stand.org/oklahoma

5 National Center for Education Statistics, Institute of Education Sciences; "Estimated average annual salary of teachers in public elementary and secondary schools, by state: Selected years, 1969-70 through 2015-16."

Oklahoma's teacher shortage has been developing for years and is one of the most significant threats to the future of the state's workforce. As fewer graduates choose a career in education and teachers continue to leave the profession it becomes harder to provide our students with talented, passionate teachers to educate and inspire them.

The latest numbers are staggering. Nearly 500 teaching positions were eliminated this school year after more than 1,500 the year before. Even so, the 2017-18 school year opened with 536 statewide vacancies, and a record 1,430 emergency teaching certifications were issued through Aug. 1, 2017. This stop gap measure puts an increasing number of teachers in the classroom without proper subject-matter training.¹ In a 2016 survey of districts, half of administrators planned to compensate by increasing class sizes or adding more emergency-certified teachers, and one third planned to offer fewer courses.²

The causes of this crisis are well documented, and the need for a sustained, long-term solution is clear. Oklahoma's average teacher salary, adjusted for inflation, has decreased since 2006 from \$36,000 to \$34,000 for a fifth-year teacher.³ In statewide focus groups, teachers indicated that reasons for low morale include under-appreciation of the profession, lack of staffing, inflexibility, over-testing of students and pay.⁴ Additional professional development must be a component of addressing morale. Oklahoma must also explore incentivizing training and eliminating barriers for new teachers, especially in high-need areas like special education and English language learning.

TEACHING IN OKLAHOMA BY THE NUMBERS²

1,430

Emergency teaching certifications in the beginning of school year 2017-18

536

Teaching vacancies in the beginning of school year 2017-18

480

Teaching positions eliminated at beginning of 2017-18

68%

Schools reporting more difficulty in hiring teachers since last year

53%

Schools expecting increased class sizes

33%

Schools expecting to decrease course offerings

8.1%

Rise of student-teacher ratios statewide, 2009-14³

REGIONAL TEACHER SALARIES ⁵

Oklahoma:	\$44,921
New Mexico:	\$46,003
Missouri:	\$47,849
Arkansas:	\$48,220
Kansas:	\$49,197
Colorado:	\$49,828
Texas:	\$51,758

FUND PUBLIC EDUCATION FOR THE 21ST CENTURY

Create and fulfill a comprehensive budget plan to meet the current and future growing needs of common education, CareerTech and higher education with new, recurring, sustainable revenue. This should include immediately working to increase existing per-pupil funding to the regional average while working in parallel to determine future funding and programs needed to ensure Oklahoma’s children and their future employers can compete across the globe. This should also include fully funding concurrent/dual enrollment at the level requested by the state regents. Long-term trends of reduced per-capita funding for Pre-K-12, higher education and CareerTech have stifled innovation in education and severely damaged Oklahoma’s ability to produce an educated workforce. This has made the state less competitive for attracting and retaining teachers, and damaged its reputation around the world as a quality place to live, work and build a business.

EDUCATION CUTS IN OKLAHOMA

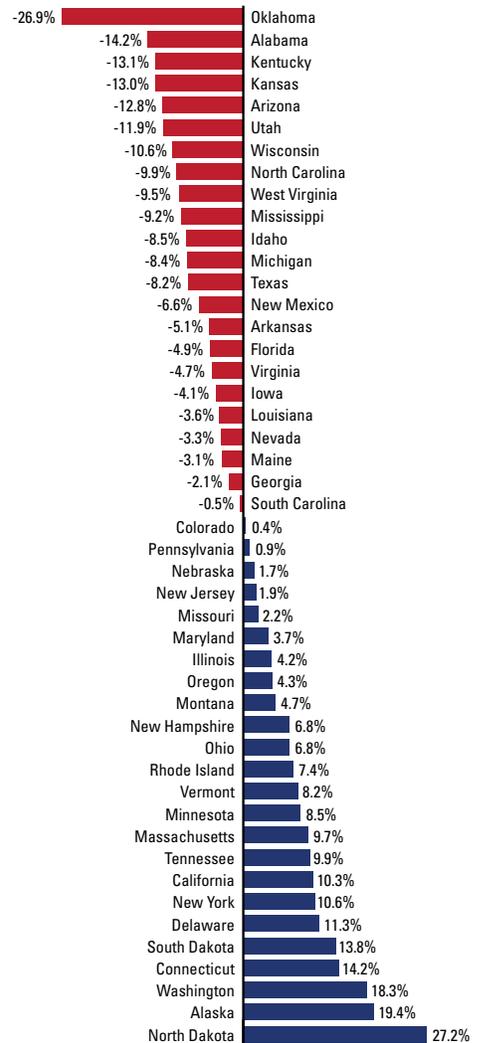
- #1**
Oklahoma’s rank in per-pupil cuts for K-12²
- #1**
Oklahoma’s rank in per-pupil cuts for higher education⁷
- 20%**
TCC’s workforce eliminated due to state cuts³
- 53%**
K-12 districts planning to increase class sizes⁴
- 327**
Positions cut at NSU, RSU, Langston and TCC in FY17⁵
- 405**
Programs cut at NSU, RSU, Langston and TCC in FY17⁵
- \$1,669**
The amount Oklahoma trails the regional in per-student spending²

The consequences of eroded education funding are real. Simply put, Oklahoma’s educational institutions do not have the resources they need to keep pace with workforce needs nor to meet the state’s goals of reading sufficiency, high graduation standards and college completion.

Common education enrollment has grown 9.2 percent since 2008,¹ but state funding has decreased 14.4 percent, adjusted for inflation. Per pupil, that represents a decline of 26.9 percent – by far the largest of any state since 2008. In addition to growing class sizes and shrinking faculty and course offerings,⁴ the erosion of education funding has resulted in a switch to four-day school weeks in more than 100 districts.⁵

Funding reductions have also hurt higher education and CareerTech, which both took double-digit percentage cuts in the state budget in recent years. Oklahoma leads the nation in per-pupil higher education cuts, with cuts totaling 17.8 percent since FY 2012.⁷ However, small universities have been hit the hardest. Excluding OU and OSU, the Tulsa area lost 327 higher education staff positions and 405 academic programs last year.⁶ In the last three years alone, Tulsa Community College has lost \$9.1 million in state funding and eliminated 200 full-time positions, or about 20 percent of its workforce.⁷

PERCENT CHANGES IN STATE FORMULA FUNDING PER STUDENT, ADJUSTED FOR INFLATION, 2008-2017



1 Oklahoma State Department of Education; "FY15-16 Oklahoma Public School Statewide Enrollment Totals" and "FY07-08 Oklahoma Public School Statewide Enrollment Totals."

2 Michael Leachman, Kathleen Masterson and Marlana Wallace, Center on Budget and Policy Priorities; "After Nearly a Decade, School Investments Still Way Down in Some States." Oct. 20, 2016.

3 National Center for Education Statistics, Jan. 2018.

4 Oklahoma State School Boards Association; "2017 Teacher Shortage Survey." <https://www.ossba.org/2017/08/22/oklahomas-teacher-shortage-deepens/>

5 State Department of Education.

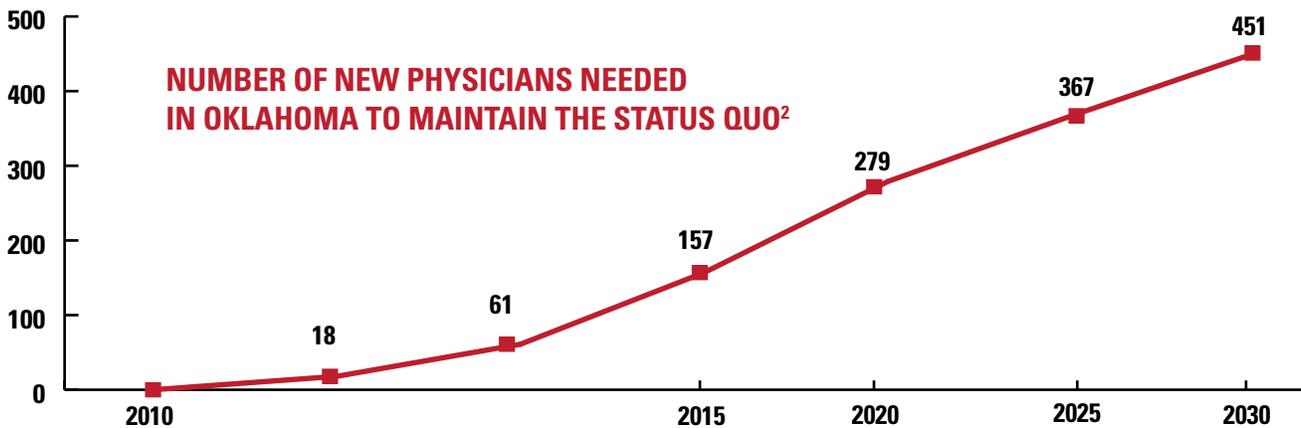
6 Oklahoma State Regents for Higher Education; Analysis of FY17 budget cuts. 2016.

7 Paighen Harkins, Tulsa World; "Oklahoma now leads nation in cuts to higher education in addition to K-12 education, study finds." July 13, 2017.

HEALTH CARE WORKFORCE EXPANSION

Address current and future health care workforce needs in urban and rural Oklahoma through the following means:

- 1) Use all available state and federal resources to support and expand Teaching Health Center-related programs, including by expanding the Oklahoma Hospital Residency Training Act to include community-based training;
- 2) Support the Physician Manpower Training Commission;
- 3) Allow nurse practitioners and physician assistants with appropriate levels of training and experience to practice to the full extent of their license;
- 4) Support reimbursement for approved programs that use technology to provide a collaborative model of medical education and care management to empower primary care clinicians in rural and underserved communities to provide specialty care to patients;
- and 5) Support and incentivize graduate medical education and fellowships in underserved specialties, including psychiatry.



HEALTH CARE WORKFORCE SHORTAGE

28% New nursing jobs going unfilled⁴

#45 Oklahoma's rank for physicians per capita¹

63 Oklahoma counties in federally designated primary care shortage areas²

91% Physician Manpower Training Commission grads who remain in Oklahoma⁸

\$2.2 MILLION Economic impact of one physician⁵

Oklahoma faces one of the most serious primary care provider shortages in the nation. The situation threatens the health of individuals as well as local economies, particularly in rural areas.

The state has 198 physicians per 100,000 residents – the sixth-worst in the nation.¹ Nearly 60 percent of Oklahomans live in areas designated by the Health Resources and Service Administration as a primary care Health Professional Shortage Area, nearly double the national rate of 32 percent.² Oklahoma ranks last in the nation for physician access in a 2015 analysis from a national physician recruitment firm.³ The shortage extends to nursing as well.⁴ This is an economic concern as much as a health one. Physicians support a number of high-paying jobs, such as nurses and pharmacists, and the economic impact of a single primary care physician is estimated at \$2.2 million, including \$90,449 in tax revenue.⁵

Addressing the need will require training how providers in Oklahoma and maximizing the reach of existing professionals. More than half of family medicine residency graduates nationwide practice in or near the community that trains them,⁶ but the numbers are often even higher in Oklahoma. At OSU's College of Osteopathic Medicine, 80 percent of students who complete their residency remain in Oklahoma.⁷ The Physician Manpower Training Commission has seen tremendous success in retaining physicians as well.⁸ As for existing professionals, the state should continue its momentum expanding telemedicine as an alternative or supplement to primary care providers in rural areas.

1 Association of American Medical Colleges; "2013 State Physician Workforce Data Book." November 2013.

2 OSU Center for Health Sciences; "Oklahoma Primary Care Health Care Workforce Gap Analysis." June 2015.

3 Meritt Hawkins; "New Ranking Shows States with Best and Worst Patient Access to Physicians." Nov. 11, 2015.

4 Brianna Bailey; "Help Wanted: Oklahoma faces shortage of healthcare workers." Oct. 14, 2015.

5 American Medical Association; "AMA: Physicians Generate \$1.6 trillion in economic activity, support 10 million jobs."

6 American Academy of Family Physicians; "Migration after Family Medicine Residency: 56% of Graduates Practice Within 100 Miles of Training." Nov. 15, 2013.

7 Tulsa World; "OSU Medical Center: Training future generation of Oklahoma physicians." Feb. 27, 2015.

8 Physician Manpower Training Commission; "Physician Retention Study of PMTC Recipients." Oct. 13, 2015.

LOCAL FUNDING OF EDUCATION

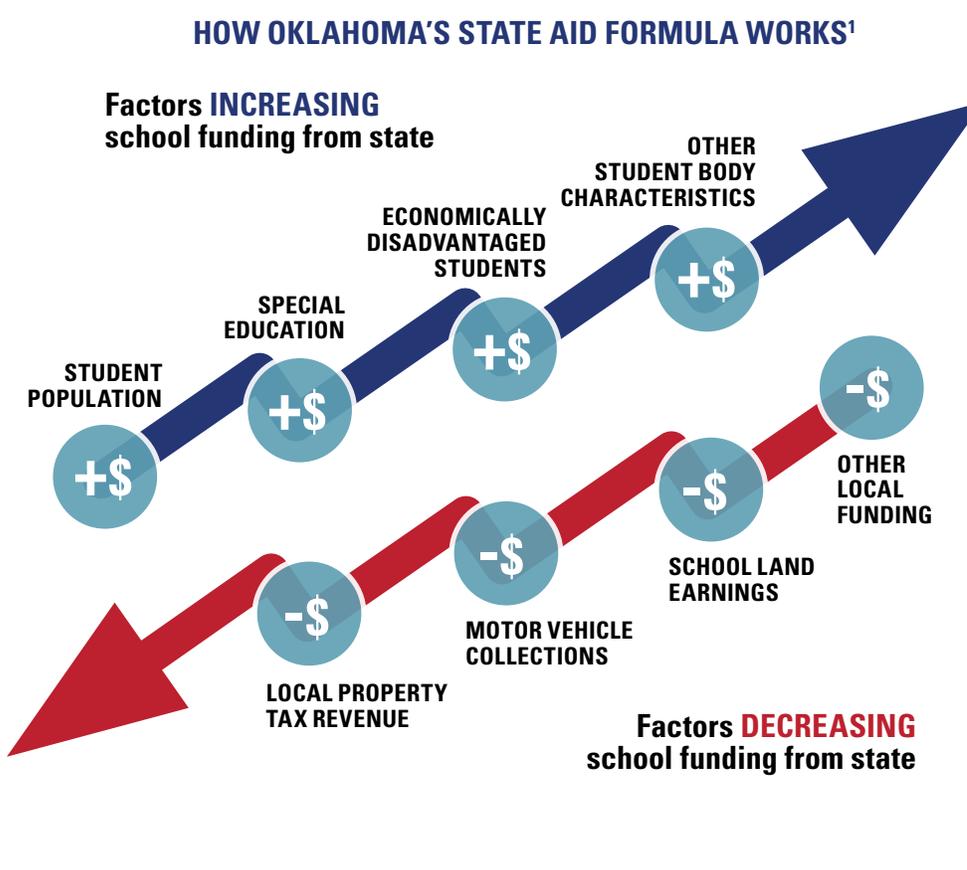
Provide municipalities with the ability to supplement state education funding and target the unique priorities of their community. Voters in local communities should be able to increase their investment in their public schools without sacrificing or impacting their state funding. Meanwhile, the state aid formula must ensure a regionally competitive base funding level for all schools, with additional increases in state funding directed through that formula.

Our state’s lack of investment in education – and the impact it has on students and our future workforce – has consistently been the greatest barrier to recruiting and retaining businesses in the Tulsa region. Despite this reality, Oklahoma has not invested in public schools to a level that ensures its students can compete for jobs.

Oklahomans should not be forced to wait for all the solutions to come from the state Capitol. Communities across Oklahoma recognize the problem and are committed to being part of the solution. If parents, teachers, school districts, community leaders, cities and counties want to help address this problem, state lawmakers should let them help.

Currently, state funding to schools is distributed through a formula that reduces the amount for districts that have more local funding. Although this mechanism is important to ensure equity among districts statewide, it is also important that local communities choosing to help solve their own education funding problems are not penalized.

With the state aid formula as a foundation for the minimum investment in schools, the state should allow a local option for communities to consider funding above and beyond this formula. Such a tool could be similar to what cities already have in place for locally funding public safety, streets and school buildings. Importantly, it would allow more decisions to be made on the local level where a school district can solve its own unique issues.



WHAT DO LOCAL SCHOOL BONDS FUND?

School bonds are issued by a popular vote within a school district and are repaid by property tax. They fund a number of capital needs, including buildings, equipment and technology. These bonds do not count against schools in the funding formula because they do not fund operational costs.

¹ Oklahoma State Department of Education: State Appropriated Financial Support of Public Schools. <http://sde.ok.gov/sde/state-aid>

PROTECT HEALTH COVERAGE

Protect health insurance coverage under SoonerCare and Insure Oklahoma programs using all available federal and state funds. This should include preventing the further reduction of Medicaid provider reimbursement rates and exploring options for reducing the state’s uninsured rate. OHCA, DHS and mental health Medicaid services are vital to the health of Oklahoma’s workforce; the survival of nursing homes and rural hospitals; and the vitality of the health care industry, a \$12.5 billion economic engine statewide that employs more Oklahomans in primary jobs than any other private industry.

OKLAHOMA'S HEALTH

14%
Uninsured Oklahomans²

49
Oklahoma's national health ranking¹

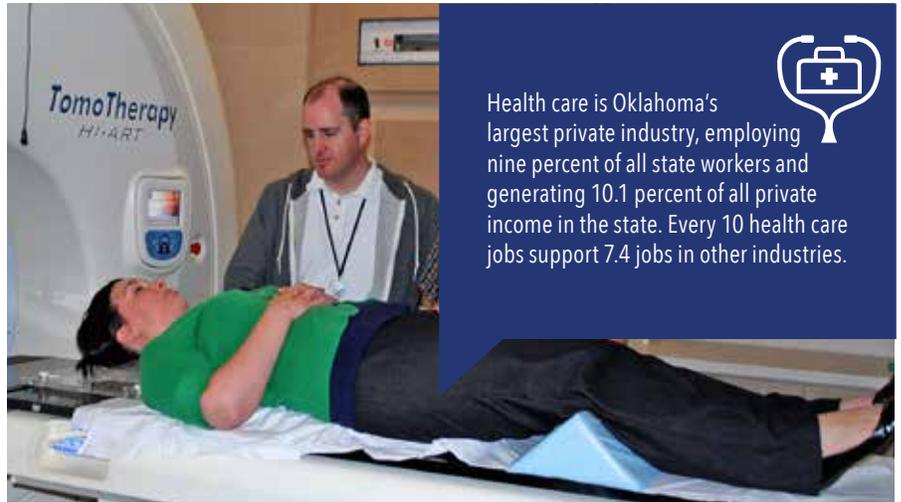
\$1,685
Average cost of lost productivity from each worker due to health⁶

12,000
Minimum number of new jobs from broadening Insure Oklahoma⁴

578,336
The number of Oklahomans without health insurance²

\$50 million
Freed-up state money from broadening Insure Oklahoma⁷

\$577 million
Uncompensated hospital costs transferred to employers, health care providers and individual policy holders³



Health care is Oklahoma's largest private industry, employing nine percent of all state workers and generating 10.1 percent of all private income in the state. Every 10 health care jobs support 7.4 jobs in other industries.

Oklahoma’s health problem is an economic problem. Modernizing the state’s health care system must be a priority if Oklahoma is to be nationally competitive for jobs and private investment. Consistently rated as among the unhealthiest states in the nation, the state’s negative national attention is a significant barrier to new and existing businesses, workforce attraction and quality of life for all Oklahomans.

At the root of the problem is lack of access and affordability in health care – the two areas that drove Oklahoma’s decline from 37th to 49th in the Commonwealth Fund’s national health scorecard in the last several years.¹ In fact, Oklahoma’s 14 percent uninsured rate is the nation’s fifth highest, leaving 525,393 Oklahomans without health insurance in 2015.² This prevents access to primary care and the treatment of conditions that limit an ability to work. It also contributes to uncompensated care costs that are shifted largely to insurance ratepayers, estimated at \$577 million annually.³

Several years ago, the Medicaid Rebalancing Act would have moved 175,000 uninsured Oklahomans onto the private marketplace using the locally developed Insure Oklahoma program. The program made use of personal responsibility assurances and capitalized on billions of dollars in federal matching funds over 10 years. Today, Oklahoma’s business community is fighting simply to maintain existing programs that contribute to a healthy workforce. Beyond providing health care, the economic benefits of maintaining coverage – and even broadening it – cannot be ignored. The state-contracted Leavitt Partners report estimated broadening access to care with help from federal funding would add 12,000 to 15,000 jobs over a decade, with an economic impact ranging from \$14.2 billion to \$17.9 billion.⁴

1 Commonwealth Fund; "Aiming Higher: Results from a scorecard on State Health System Performance, 2017 edition."

2 Oklahoma Health Care Authority; "Oklahoma Uninsured Fast Facts." March 2017.

3 Oklahoma Hospital Association data.

4 Kaiser State Health Facts; Leavitt Partners, "Covering the Low-Income, Uninsured in Oklahoma."

5 Tulsa Regional Chamber economic analysis.

6 Centers for Disease Control; "Worker Productivity Measures." April 1, 2016. <http://www.cdc.gov/workplacehealthpromotion/model/evaluation/productivity.html>

7 Oklahoma Hospital Association; "Broadening Coverage – Insure Oklahoma: Just the Facts," October 2015.

SUPPORT BEHAVIORAL HEALTH SERVICES

Expand behavioral health and substance abuse services to improve workforce efficiency, boost public safety, and help additional Oklahomans who suffer from mental illness and addiction. This should include: 1) Increase funding for the Department of Mental Health and Substance Abuse Services to expand access to prevention, early intervention and treatment; 2) Ensure that any definition of “essential benefits” in Medicaid-related plans includes mental health and addiction services, and such plans fully comply with the federal mental health parity law; 3) Ensure full implementation of State Questions 780 and 781 to financially support behavioral health treatment; and 4) Continue support for expanding statewide use of the Labor Commissioner Mark Costello Act (assisted, court-ordered outpatient treatment).

Oklahoma has the second-highest rate of serious adult mental illness in the nation, but it spends less on treating these people per capita than most states.¹ This unacceptable disparity leads to too many Oklahomans going untreated, contributing to higher criminal recidivism rates, eroding Oklahoma’s workforce, threatening the wellbeing of families and ultimately costing taxpayers.

Although often a misunderstood and stigmatized issue, millions of Americans suffer from a form of mental illness severe enough to impact daily life, with examples as diverse as depression, addictive behavior and schizophrenia. Nearly a quarter of Oklahomans have a mental illness, and 11.9 percent have a substance abuse disorder.² Although 190,000 Oklahomans receive treatment for these issues through the Oklahoma Department of Mental Health and Substance Abuse Services (ODMHSAS), it is estimated that only four of 10 Oklahomans receive the treatment they need, including six of 10 Oklahoma children.³ If all of the cuts proposed by ODMHSAS in 2017 had taken effect, lost treatment would have affected 189,000 Oklahomans and their families.

The financial consequences of allowing this trend to continue are too great to ignore, and the state’s prison system is a prime example. Many sufferers of mental illness and substance abuse end up in prison, where it costs an average of \$23,000 a year to house them. On the other hand, cost for treatment, drug court and mental health court are significantly lower, which makes every dollar invested in mental health a net positive for taxpayers.³

BEHAVIORAL HEALTH SERVICES

#2

Oklahoma’s rank for serious mental illness prevalence among adults¹

11.9%

Oklahomans with a substance abuse disorder²

22.4%

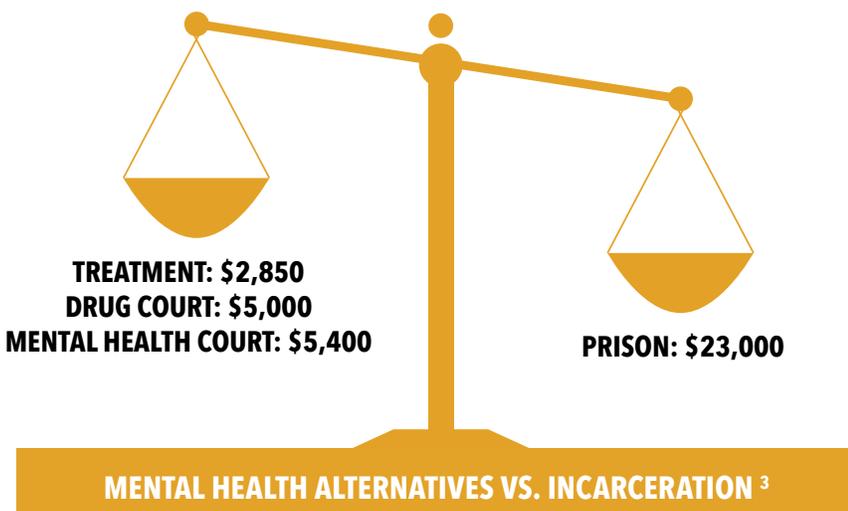
Percent of Oklahomans with mental illness²

43

States spending more per capita on mental health¹

694,818

Number of Oklahomans with mental illness²



1 Jaclyn Cosgrove, The Oklahoman; “Oklahoma ranks low in mental-health funding.” Sept. 26, 2015.

2 “Mental Health & Substance Abuse Prevalence for Oklahoma” Oklahoma Department of Mental Health & Substance Abuse Services. Jan. 11, 2018.

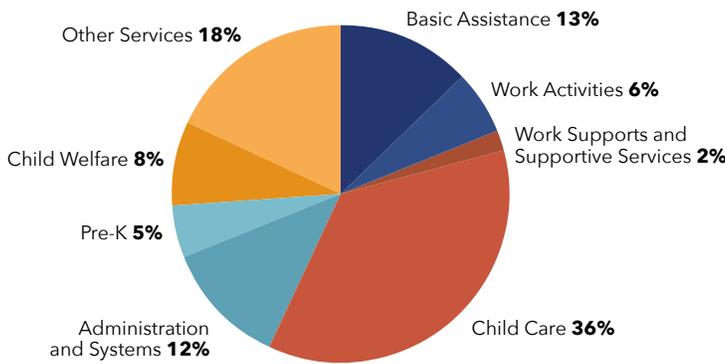
3 Oklahoma Department of Mental Health and Substance Abuse Services; Fiscal year 2016 Budget Request. January 2015.

4 The National Bureau of Economic Research. “Consequences of Childhood Mental Health Disorders.” July 2007. www.nber.org/aginghealth/summer07/w13217.html

WORKFORCE DEVELOPMENT THROUGH TANF FUNDS

Redirect existing workforce development funding within Oklahoma’s TANF allocation to Workforce Innovation and Opportunity Act-funded workforce boards, mirroring the Texas model for allocating these federal welfare resources. This will support industry workforce needs, provide more effective service to Oklahoma companies that are hiring and create a much-needed pipeline for low-income residents to obtain family-supporting jobs.

FEDERAL AND STATE TANF SPENDING BY CATEGORY, 2015¹



	Oklahoma (millions of dollars)	(share of spending)
CORE		
Basic Assistance	\$28	13%
Work Activities	\$12	6%
Work Supports and Supportive Services	\$4	2%
Child Care	\$77	36%
NON-CORE		
Administration and Systems	\$25	12%
Tax Credits	\$0	0%
Pre-k	\$12	5%
Child Welfare	\$17	8%
Other Services	\$39	18%

Like all states, Oklahoma receives block grants to help needy families through the Temporary Assistance for Needy Families (TANF) program. The federal government grants these funds for states to allocate to programs designed to help families achieve self-sufficiency. The funds can be spent in several broad categories, including basic cash assistance, child care, family stability and job preparation. Oklahoma’s TANF spending focuses on child care and basic assistance, but 8 percent of its TANF funds in 2015 were spent on work activities or work support services.¹

One way Oklahoma could spend these workforce TANF funds is with existing, proven programs that train low-income Oklahomans for family-supporting jobs. Texas and other states do this by investing in industry-led workforce boards certified under the federal Workforce Innovation and Opportunity Act. These programs are highly successful at placing individuals in jobs and training. At Workforce Tulsa, an industry-led workforce board serving the Tulsa region, individuals are connected with short-term, demand-driven training in high-need occupations.²

The goal of Oklahoma’s TANF allocation should be to reduce the number of residents who require public assistance by providing needy families the tools to be self-sufficient and maximize their economic potential. Maximizing the reach of proven job training and workforce development efforts would further this goal while helping to meet the growing workforce needs of business and industry.

¹ Center on Budget and Policy Priorities. 2015 Oklahoma TANF Spending. CBPP Analysis of U.S. Department of Health and Human Services financial data.

² Workforce Tulsa, 2016 data. Nov. 4, 2017.

ENSURING A PROSPEROUS ECONOMY | STATE PRIORITIES

CRIMINAL JUSTICE REFORM

Strengthen alternatives to incarceration and support reforms in sentencing, reentry and rehabilitation that safely reduce the prison population and enable nonviolent offenders to reenter the workforce. This should include investments in treatment and early-diversion efforts for individuals suffering from mental illness and addiction, as well as structural changes in the criminal justice system such as those proposed by the Oklahoma Justice Reform Task Force. These smart-on-crime reforms would improve community safety, reduce recidivism, lessen the burden on prisons and safety net programs, and enable more ex-offenders to contribute meaningfully to Oklahoma's economy.

OKLAHOMA'S PRISON PROBLEM

#1 National rank for female incarceration rate

#2 National rank for total incarceration rate

9% Over prison capacity in 2017⁵

21% Released inmates reincarcerated within a year

471 National average of inmates per 100,000 population

700 Oklahoma's inmates per 100,000 population

Oklahoma has spent decades being tough on crime without being smart on crime, leaning on a criminal justice system that has emphasized punishment over rehabilitation. Despite modest reforms, Oklahoma continues incarcerating its residents at a rate far higher than the national average with extraordinary costs to taxpayers and the workforce.

The state's prison population increased by 485 percent between 1980 and 2014, far outpacing its overall population growth of 28 percent.² As sentencing stiffened, the average time served by offenders in Oklahoma grew by 83 percent between 1990 and 2009, or 17 months, translating to an additional \$25,636 spent per prisoner.³ Despite all of this, Oklahoma's violent crime rate remains high, 11 percent above the national average,⁴ and workforce shortages continue. 8.5 percent of Oklahomans have a felony conviction that all but prevents them from finding work, though many are nonviolent offenders.⁶

Past reforms have increased sentencing options and treatment avenues, but too many nonviolent offenders are still pushed through the prison system without treatment. Reentry assistance would help break the generational cycle of crime and poverty. Mental health and substance abuse challenges are among the leading causes of recidivism nationwide, and Oklahoma's prisoners have these in abundance. Numerous studies show treatment for these issues can reduce recidivism.⁷ That's especially meaningful in Oklahoma, where nearly a quarter of released offenders are incarcerated again within a year.¹ Rehabilitation is also far cheaper, as drug and mental health courts cost about \$5,000, while incarceration exceeds \$20,000.⁸

In 2018, lawmakers have the opportunity to pass a number of bills recommended by the Oklahoma Justice Reform Task Force, which were heavily influenced by the OneVoice coalition and the regional business community. These workforce-friendly bills would reduce our growing prison population and help ensure more Oklahomans are contributing meaningfully to society.

HB 2284: Professional training for law enforcement

HB 2286: Expanding parole

SB 649: Habitual offender sentencing reductions

SB 650: Expungement reforms

SB 603: Offender Case Management

SB 689: Expansion of alternatives to incarceration and workforce reentry

SB 786: Third-degree burglary reductions

SB 793: Oversight and Performance Measures

1 Oklahoma Department of Corrections; Annual Report, 2014.

2 Bureau of Justice Statistics; 2015.

3 The Pew Charitable Trusts; Public Safety Performance Report - Time Served, Oklahoma. June 6, 2012.

4 FBI Uniform Crime Reports. 2016

5 Graham Lee Brewer; The Oklahoman, "Oklahoma prison population face record high." April 27, 2017.

6 Ginnie Graham; Tulsa World; "Nonprofits help felons find work." March 6, 2011.

7 Nathan James; Congressional Research Service, "Offender Reentry: Correctional Statistics, Reintegration into the Community and Recidivism." Jan. 12, 2012.

8 Oklahoma Department of Mental Health and Substance Abuse Services; Fiscal Year 2016 Budget Request. January 2015.

ECONOMIC INCENTIVES

Support tax credits, exemptions and incentives that provide an economic return to the state of Oklahoma, maintain competitiveness in business attraction and retention, and increase capital investment. Several programs proposed for review by the Oklahoma Incentive Evaluation Commission (IEC) are critical to the state's competitiveness and should be protected, including the Historic Rehabilitation Tax Credit, all Quality Jobs programs, the Quality Events Program and the Film Enhancement Rebate.



¹ Oklahoma Department of Commerce. "Oklahoma Incentive and Tax Guide." Accessed Oct. 2017.

² Tulsa Foundation for Architecture. "Economic Impact of the Historic Preservation Tax Credit." Sept. 2016.

In 2015, the state legislature followed the recommendation of a report by the Pew Charitable Trust and mandated that all economic incentives be reviewed for their effectiveness by a state-appointed committee. This Incentive Evaluation Commission set forth a schedule to review the programs over the next several years and evaluate whether each one is operating effectively. We applaud an impartial review of these programs, and maintain our strong support of several key programs under review by the Commission. These programs impact key industries in Oklahoma – from manufacturing, to aerospace, to rehabilitation and development, to tourism – and are responsible for driving our economy forward.

Consider one program, the Quality Jobs Program, which helps create a highly skilled workforce with the promotion of high-wage jobs. The 10-year program provides qualifying businesses with up to 5 percent cash rebate of the taxable payroll on a quarterly basis. The

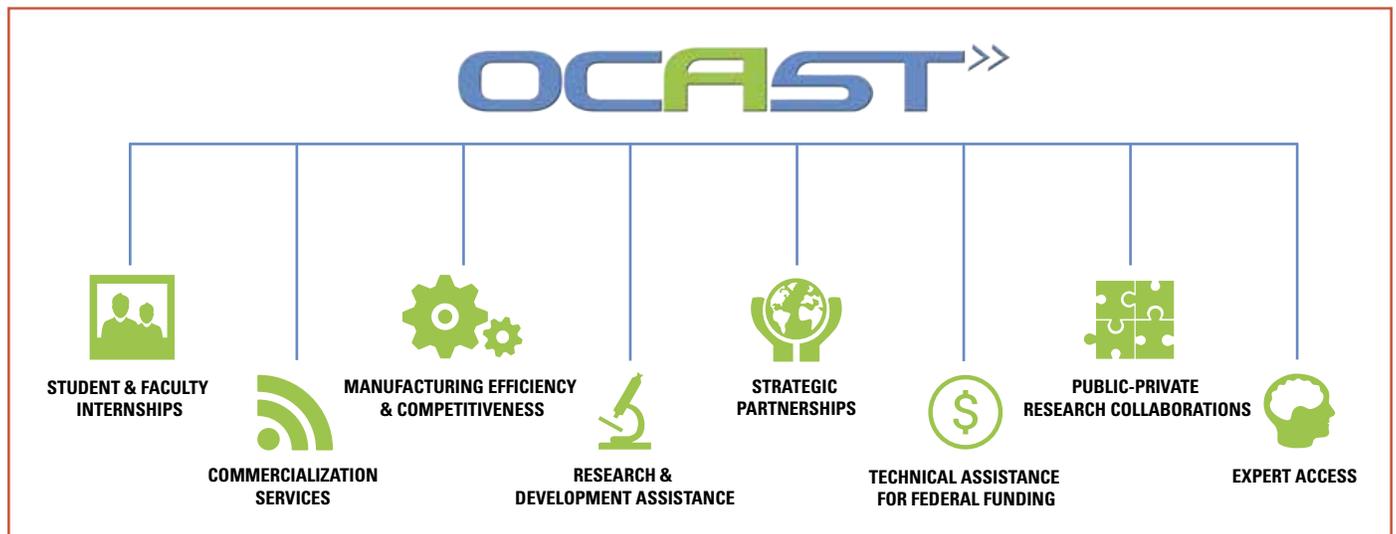
rebate increases to 6 percent if veterans make up 10 percent of a company's staff, helping to create much-needed jobs across the state for an eager workforce.¹ After review, the IEC deemed this incentive critical for economic development and business expansion.

Another example of the economic impact of these tax incentive programs is evident with the Historic Rehabilitation Tax Credit, which gives a tiered tax credit of 10 percent to 20 percent for qualified rehabilitation expenditures for certain historic structures. According to a report by PlaceEconomics, this credit has attracted over \$415 in rehabilitation expenditures with total project investment reaching \$520 million.² These projects have generated 3,232 direct jobs and 3,514 indirect and induced jobs.

Examples like these make clear that economic incentives create jobs, attract businesses, stimulate development and are essential to the growing economy of Oklahoma.

FUND OCAST (OKLAHOMA CENTER FOR THE ADVANCEMENT OF SCIENCE AND TECHNOLOGY)

Maintain OCAST's annual budget at its current level to avoid further loss of private sector-matched investment for growing and diversifying Oklahoma's economy. The state has lost more than \$600 million in potential public-private investment as a result of reduced state appropriations for OCAST over the last five years. This funding assists Oklahoma in four vital areas: 1) Research and development funding for businesses and universities; 2) Two- and four-year college internship opportunities; 3) Manufacturing support; and 4) Early-stage funding for start-up businesses. This funding allows Oklahoma communities to attract and retain high-quality STEM businesses and critical college talent, which will encourage growth and expansion in these target industries.



The Oklahoma Center for the Advancement of Science and Technology has supported locally driven innovation aimed at diversifying and expanding the state's economy through science and technology for nearly 30 years. This work has been invaluable for small businesses and entrepreneurs who benefit from OCAST-funded research projects, partnerships with key groups, and assistance finding federal funding, among other programs and services. In turn, all Oklahomans benefit from new and retained high-paying jobs, improved workforce retention capabilities and an enhanced nationwide presence for Oklahoma products and talented local innovators.

Every state dollar invested in OCAST, since the program began, has yielded a 22-to-1 return on investment thanks to new private investments and improved access to federal funds that assist small businesses.¹ In 2017 alone, the program had a 42-to-1 return on investment. In 2015, the agency helped Claremore-based HydroHoist expand its product line and grow its investment in the Tulsa region.⁴ Aided by programs such as the Oklahoma Applied Research Support, Oklahoma Intern Partnerships and Oklahoma SBIR Collaborative Resource, OCAST has developed a proven track record in facilitating meaningful private investment and small business growth.

The agency has been hit hard by recent state budget cuts, going from a total state allocation of \$15.9 million in fiscal year 2016 to \$14.1 million in fiscal year 2017 – an 11.65 percent reduction.² Over five years, state budget cuts have resulted in a loss of about \$8.3 million in direct state investment and \$3.5 million in leveraged matching dollars for research and development projects, resulting in a missed potential impact of more than \$600 million based on historic returns.³

1 2017 OCAST Impact Report.

2 Oklahoma State Budget, fiscal year 2017.

3 OCAST data.

4 2016 OCAST Impact Report.

OCAST STATEWIDE IMPACT IN 2017¹

- 36** Patent applications filed
- 42:1** Return on investment
- 224** Student interns supported
- 2,451** Jobs created or retained
- \$93 million** Payroll supported
- \$258.3 million** Gross-sales impact for participating companies
- \$536 million** Return on investment

MODERNIZE OKLAHOMA'S ALCOHOL LAWS

Continue to support legislation that reforms Oklahoma's outdated alcohol laws, with particular focus on easing legal and regulatory burdens on restaurants, bars, event and sports venues, festivals, and other public events resulting from the elimination of low-point beer and the implementation of Oklahoma's new alcohol laws (Title 37A) in October 2018. Propose the creation of new licenses to be issued by the Oklahoma ABLE Commission, which would permit the aforementioned entities to sell and serve beer in the same manner in which low-point beer is currently sold and served, provided beer does not exceed the strength (8.99 percent ABV) that will be sold at grocery and convenience stores under the newly created Retail Beer License.



¹ David Norris, KTUL. "Mayfest cash flow good for Tulsa economy." May 2016.

² Brewers Association. "Oklahoma Craft Beer Sales Statistics." 2016.

Nearly a million Oklahomans voted in favor of State Question 792 in 2016, giving approval for the state to modernize its beer and wine laws. The referendum included several elements updating outdated alcohol laws in Oklahoma, including allowing grocery and convenience stores to sell high-point beer and permitting liquor stores to offer cold beer and non-alcoholic products, like ice and mixers. There will no longer be a difference in low-point beer and stronger. As local brewers say: "beer will simply be beer."

The passage of SQ 792 was praised by many as a step forward for Oklahoma, enabling economic growth for local breweries and wine producers and providing enhanced convenience for consumers. However, there remain a number of unforeseen consequences that restaurants, vendors and event staff must overcome. Due to prior restrictions, new licenses must be created for alcohol to be sold in all areas at festivals, concerts, sporting events and other public gatherings. Certain laws must also be refined or restaurants serving alcohol might face a requirement to only allow patrons of age 21 and up.

The Tulsa region is home to many major festivals each year, all of which significantly contribute to the metropolitan economy. Tulsa's Mayfest is estimated to have an economic impact of \$6 million.¹ Economists predict that the implementation of VisionTulsa will increase attendance at current festivals as well as allow new events that could impact the area by tens of millions of dollars. We must ensure laws are in place to help – not hamper – vendors and attendees, enhancing recreational activities that boost the region.

The new laws stemming from SQ 792 will start on Oct. 1. Oklahomans must work with legislators in the 2018 legislative session to ensure loopholes are closed and all parties have a smooth transition when the modernized alcohol laws begin.

MUNICIPAL FUNDING DIVERSIFICATION

Support legislation that removes barriers to allow municipalities to reduce costs, operate efficiently and diversify sources of revenue available for operating revenue. Key initiatives include diversifying revenue for funding public safety agencies, streets and other infrastructure improvements; and preserving and strengthening cities' authority to promote economic development activities within their borders.

BY THE NUMBERS

1

States that restrict cities to sales tax as the chief means of funding operations

17

States that restrict cities to only one chief source of operations funding

\$296 million

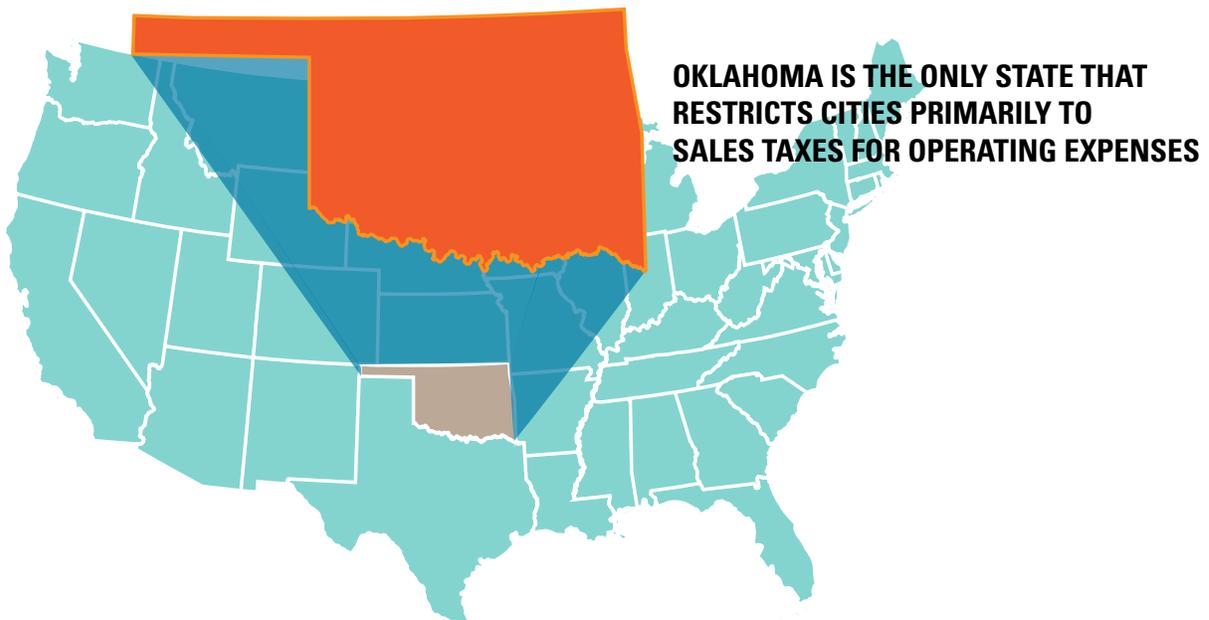
State and local revenue lost due to a lack of enforced sales tax collections ¹

Thriving municipalities play a critical role in expanding business growth and strengthening the economy. Businesses rely upon cities as economic engines: they provide the streets, public infrastructure, public safety and educational systems businesses need to be successful and the quality of life citizens look to when identifying where to live and work. They are a key part of the solution in addressing our workforce challenge. A growing number of workers – particularly young professionals – now prioritize where they want to live based on the quality of life offered over individual job opportunities. However, cities are greatly restricted by the state in their ability to increase the revenue necessary for essential services and initiatives, which critically impacts our region's ability to grow and attract new business.

Oklahoma is one of only 17 states that provide municipalities with one primary source of revenue and the only state in the nation that requires municipalities to rely almost solely on sales tax revenue to fund operations. Sales tax is highly volatile, fluctuating with the economy. A city's ability to provide core services should not be at the mercy of an economy that has frequently underperformed in recent years.

Restricting revenue to sales tax also creates an overemphasis on growing retail sales – often to the detriment of other economic development initiatives. With a reliance on sales tax, cities are forced into pursuing retail development over high-paying, high-skilled jobs. At a time when Oklahoma is working to attract as many high-skilled jobs as possible, the efforts of businesses, cities and the state should be in coordination on this goal.

Allowing increased access to diverse revenue streams is of vital importance to the long-term health and prosperity of Oklahoma's businesses and communities.



¹ National Conference of State Legislators. "Estimated Uncollected Use Tax from All Remote Sales." 2012.

PROMOTE ROBUST ENERGY PRODUCTION

Preserve and maintain Oklahoma's position as a leading oil and gas producing state and protect the important economic impact of oil and gas production to all Oklahomans. Oklahoma's combination of abundant energy resources and an entrepreneurial people has resulted in some of the lowest energy costs of any state in the nation. Support an Oklahoma energy policy that provides a clear and reasonable regulatory environment, while opposing unnecessary and burdensome regulations and taxes.



OKLAHOMA'S ENERGY LEADERSHIP

Oklahoma is the third largest producer of natural gas and fifth largest producer of crude oil in the United States.²

¹ Oklahoma Energy Resources Board. "2017 Economic Impact & Jobs Report." May 2017.

² U.S. Energy Information Administration. "State Energy Rankings." July 2017.

About one-sixth of all jobs in Oklahoma are either directly or indirectly tied to energy, with \$20.4 billion in gross state product.¹ Even in cyclical downturns, the industry supports 20 percent of the state's economy. As one of the top oil and gas producing states, the industry not only helps meet the energy needs of Oklahomans but of the entire country. Supporting a clear regulatory environment that allows oil and gas producers to utilize new practices and technology in the state is essential.

Development of Oklahoma's oil and gas plays has generated much excitement throughout the energy world. Areas across the state are ripe for production, and access to horizontal drilling in these areas was recently expanded through the Oklahoma Energy Jobs Act of 2017. The measure is expected to create thousands of new jobs and spur billions in investment from oil and gas producers. Still, more can be done to help this vital industry grow to meet our everyday needs.

Expanding exploration and production throughout the state would increase economic activity and continue generating revenue for state coffers. Energy companies have been producing record-breaking wells not only for Oklahoma, but for the entire mid-continent region of the country. The returns on these wells enable companies to devote resources to the area, further boosting investment in the state and growth of our economy.

We support proposals that would provide a clear and reasonable regulatory environment and oppose unnecessary and burdensome regulations and taxes. In turn, these companies will invest more capital into the state, creating jobs, revenue and technological innovations that benefit citizens across all of Oklahoma.

SUPPORT SENSIBLE WATER POLICY AND ENVIRONMENTAL FUNDING

Show strong support for appropriate water conservation practices, incentives and educational programs to moderate statewide water usage while preserving Oklahoma’s population growth and economic development goals. Additionally, support legislation regarding Oklahoma’s water law and regulations that ensures a balance among commercial, residential and agricultural interests. The state should also maintain funding for the Department of Environmental Quality and Water Resources Board, which monitor water resiliency and quality. Oklahomans have made significant investments in reliance on existing supply agreements, and the state should continue upholding the principle that its abundant water supplies are to be efficiently developed, used, reused, conserved and enjoyed, guaranteeing future availability and financial sustainability for ratepayers, municipalities and rural water districts.



OKLAHOMA USES ABOUT 1.8 MILLION ACRE-FEET OF WATER PER YEAR.
 41 percent comes from crop irrigation and 32 percent is from industrial and municipal use.
 Total statewide water use is estimated to increase 37 percent by 2060. Smart conservation and reuse practices are critical for economic development.

Northeast Oklahoma is fortunate to have superior water resources. The Middle Arkansas and Grand watersheds support a high quality of life throughout the region. Oklahomans must not take these resources for granted, as the robust amount of water can be used to garner economic development and attract and retain talent to the state.

The Oklahoma Department of Environmental Quality (DEQ) has faced double-digit cuts in recent years due to budget shortfalls. This has forced the state agency to close field offices, reduce staff numbers and delay cleanup projects across the state. The agency’s work helps to ensure Oklahomans have clean drinking water, a critical function which could be impacted by inadequate funding.

Through cooperative efforts between the state, municipalities, tribal entities and business stakeholders, Oklahomans must work together to support resource resiliency. Policies should support the important work of DEQ and protect water for generations to come, while also leveraging the resources of northeast Oklahoma to enhance economic development.

1 Oklahoma Water Resources Board. "Oklahoma Comprehensive Water Plan." 2012.

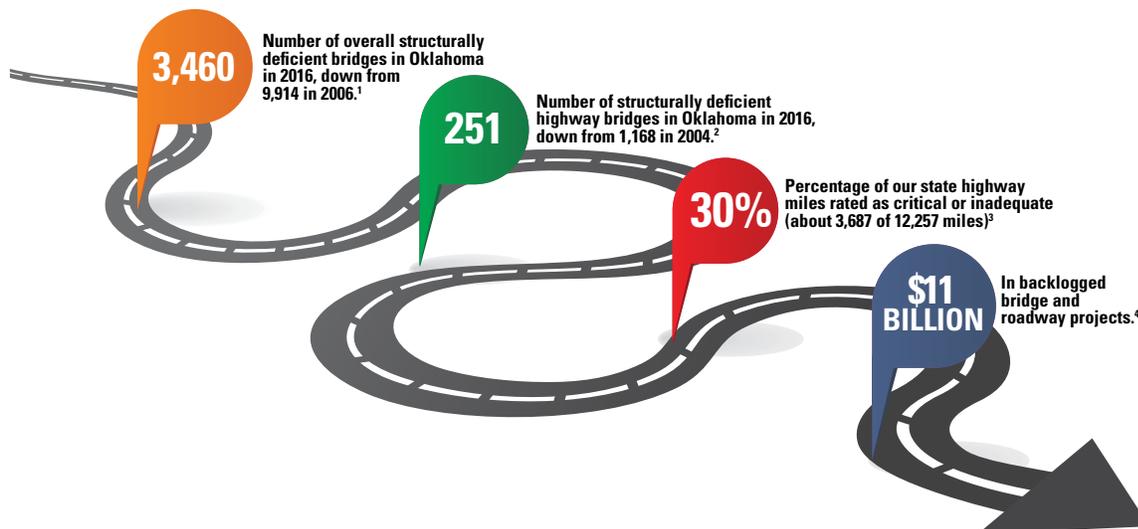
BUILDING INFRASTRUCTURE CRITICAL TO BUSINESS | STATE PRIORITIES

SUPPORT CRITICALLY NEEDED ROAD FUNDING

Continue to improve Oklahoma's roads and bridges, and return streets and highways to a state of good repair by fully funding the Oklahoma Department of Transportation's eight-year plan and the County Improvement for Roads and Bridges five-year plan. Support an increase in the Oklahoma gas and diesel tax to a level comparable with surrounding states to provide a more sustainable revenue source paid by road users. Prioritize dedicating the fuel tax revenue and moving the remaining 25 percent of motor vehicle fees to transportation projects, which may include state highways, city and county roads and bridges, and public transit.

Regional high-priority projects that can only be addressed through adequate funding include: widening of I-44 from I-244 east to the Will Rogers Turnpike; widening I-44 from the Arkansas River west to I-244 (Red Fork Expressway); expansion of U.S. 169 to six lanes north to State Highway 20; construction of a four-lane Port Road on Highway 266 from U.S. 169 to the Port of Catoosa, and from the Port of Catoosa to I-44; expansion of U.S. 75 to six lanes from State Highway 11 to State Highway 67; State Highway 20 bypass in Claremore; and high-capacity expressway-to-expressway interchanges between I-44, U.S. 169 and State Highway 51.

CONDITION OF OKLAHOMA ROADS AND BRIDGES



The health of our transportation network is key to our efforts to recruit and retain jobs in Oklahoma. Businesses regularly cite safe and efficient transportation systems as a top factor in identifying possible locations. Furthermore, our existing companies rely on the local road system to import and export goods and ensure their employees can travel safely and quickly to and from work.

Unfortunately, for more than 30 years, transportation funding in Oklahoma was stagnant, resulting in a steady decline and deterioration of our infrastructure. The long-term consequences of this are still apparent. According to the Oklahoma Department of Transportation (ODOT), Oklahoma has consistently ranked as one of the worst states in the nation for structurally deficient bridges since the year 2000. Significant improvements have been made during recent years, as Oklahoma has the largest improvement in the number of structurally deficient bridges of any

state since 2007. Still, much work remains. ODOT has more than \$11 billion in backlogged repairs and maintenance projects.

Through the creation of the ODOT Eight-Year Plan, an increased reinvestment in our state's roads, bridges and highway system began. However, the progress of the Eight-Year Plan has been significantly threatened by budget cuts. Following the 2017 legislative session, ODOT announced it would have to remove \$204 million in road projects and delay numerous others due to inadequate funding. We must strategically increase investment in our crumbling state-highway and county-road systems if we wish to attract and retain businesses. We must prioritize the safety of all who travel on Oklahoma roads and bridges.

Support is critical for efforts to repair, upgrade and enhance Oklahoma's transportation infrastructure, especially high-priority projects that are crucial to economic development in the Tulsa region.

¹ American Road & Transportation Builders Association. "National Bridge Inventory: Oklahoma." Jan. 2017.

² Oklahoma Department of Transportation. "Deficient Bridges: Replacement and Rehabilitation Progress." April 2017.

³ Oklahoma Department of Transportation. "Update on Oklahoma Bridges and Highways." Nov. 2016.

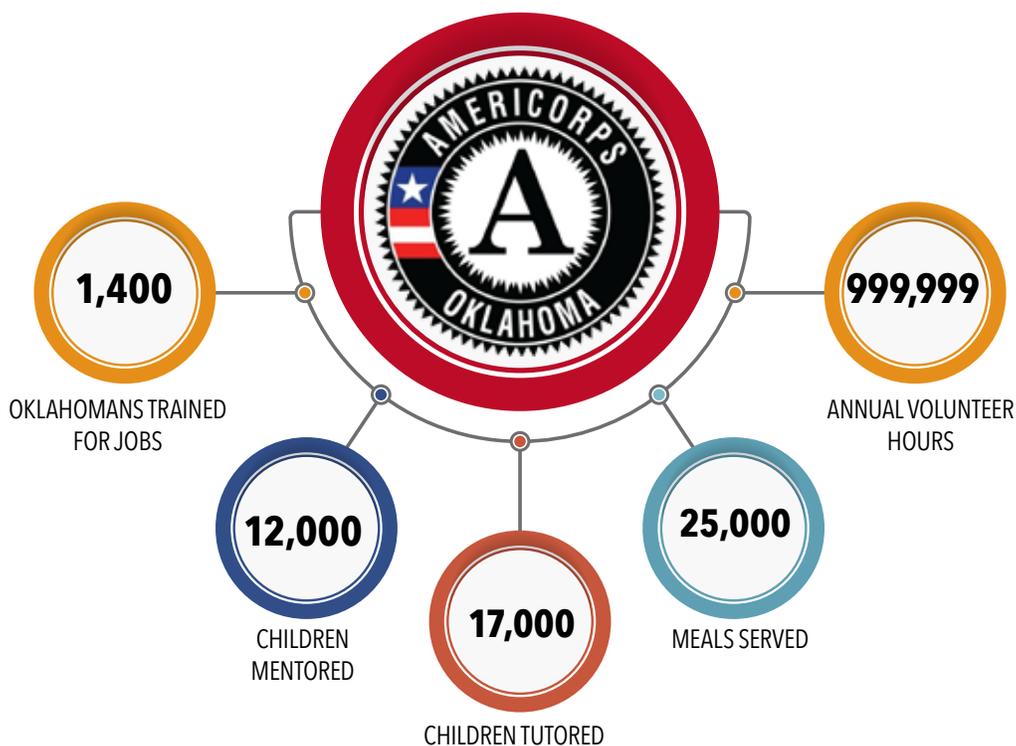
⁴ TRUST. "Oklahoma Road Funding, Taxes and Fees Fact Sheet." Accessed Oct. 2017.



EDUCATED AND HEALTHY WORKFORCE | FEDERAL PRIORITIES

AMERICORPS FUNDING

Protect funding for the Corporation for National and Community Service, which supports local schools and nonprofit organizations with vital resources and manpower through AmeriCorps programs. Each year, these programs leverage \$35 million in federal and local funding to deploy approximately 1,000 AmeriCorps members in over 50 school districts and 100 nonprofits in Oklahoma to supplement school services and provide unique educational experiences to local children.



Founded in 1994 to mobilize Americans in a spirit of volunteerism and community service, AmeriCorps has facilitated more than 1 million volunteers who have given over 1.4 billion hours of their time to critical needs across the country.¹ In Oklahoma, AmeriCorps members volunteer 1 million hours a year in programs that tutor and mentor children, train Oklahomans for new jobs and serve meals in 34 counties.²

This includes well-renowned programs in the Tulsa area, including City Year, Teach for America and Reading Partners. Each of these

programs target high-need schools by reducing dropouts, bringing top teachers and targeting reading proficiency, respectively. These programs have a dramatic impact on the future economic outlook of the state. For example, high school students who drop out are six times more likely to be in prison and three times more likely to be unemployed.³ As Oklahoma continues to lead the nation in K-12 funding cuts per pupil and schools struggle to fulfill basic obligations, volunteer programs that help address these problems are increasingly important.

¹ Corporation for National & Community Service; "AmeriCorps." 2017.

² AmeriCorps Oklahoma; "About Us." 2017.

³ CityYear; "The Problem." 2017.

FEDERAL HEALTH CARE REFORM

Encourage Congress to refrain from changes to the structure and financing of Medicaid that would increase Oklahoma’s uninsured rate and transfer federal risk and costs to Oklahoma taxpayers. However, remain open to innovations that decrease employer-sponsored and individual health insurance costs. In addition, reauthorize CHIP (Children’s Health Insurance Program) at existing funding levels. As the largest private employment sector in Oklahoma, health care and social assistance services make up hundreds of thousands of jobs, with Medicaid alone serving more than one million Oklahomans – two in three of whom are children – every year.

The regional business community has two chief concerns for federal lawmakers seeking to reform health care: the cost of employer-sponsored insurance and the availability of health coverage for low-income Oklahomans. Although the need for the former may be self-evident, the latter is a reflection of a situation where too many Oklahomans are too unhealthy to work or obtain the skills needed for the high-wage jobs that advance our state’s economy. This is a serious concern for job growth and economic development.

Oklahoma has the third-highest rate of uninsured, as of 2016.¹ Meanwhile, the state is consistently ranked among the least healthy nationwide, with the least access to health care. The link between health access and outcomes to workforce availability is well documented and plays a role in many companies when deciding to expand or move. Oklahoma’s labor participation rate is 61 percent,² and 13.5 percent of Tulsa-area workers are considered underemployed.³

In any federal health care reform efforts, the effects of reducing access to health care via funding cuts for core Medicaid services must be considered – especially considering that one million Oklahomans rely on Medicaid and CHIP.⁴ Oklahoma has a particularly strong record of using federal Medicaid money wisely. For example, the state’s per-enrollee costs are ranked among the best 10 states,⁵ and the administrative costs of SoonerCare rank below average nationwide, at 5.5 percent.⁶



1 Haefner, "Gallup-Healthways: 2016 uninsured rates by state." February 2017.

2 Census Bureau, 2015.

3 SSG, "Tulsa Regional Labor Study, 2017."

4 Oklahoma Health Care Authority Annual Report, 2016.

5 Kaiser Family Foundation, "Medicaid Spending per Enrollee (Full or Partial Benefit)." 2016.

6 PHPG, "SoonerCare Choice Program Independent Evaluation: Interim Report for January 2009-2012." Nov., 2018.

7 SoonerCare Fast Facts, Oct. 2017

FUND PELL GRANT PROGRAM

Maintain current funding levels for the Pell Grant Program. In addition, allow funding for concurrent enrollment and oppose attempts to cap per-student grants.



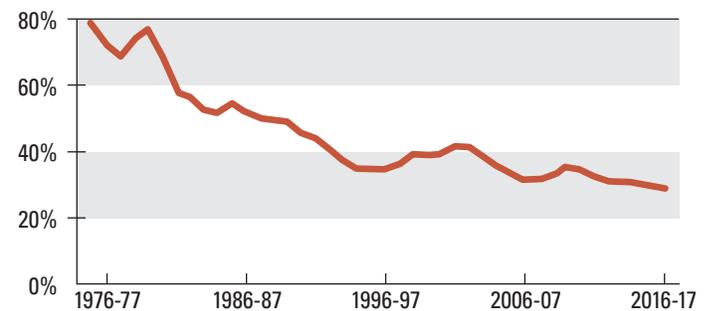
The Pell Grant program has been a vital tool for nearly 50 years in helping low-income and middle-class families attain higher levels of education. In fact, it remains the single-largest source of financial aid based on need and supported nearly 40 percent of undergraduate students nationwide in the 2015-16 school year.¹ This aid opens doors for students to acquire additional aid in the form of loans and state or institutional assistance. It remains among the most important tool for ensuring Americans can obtain higher education and join a workforce that is internationally competitive in the 21st century.

This national importance is not lost on Oklahoma. In the 2015-16 school year, 84,265 students received more than \$313 million in aid to attend Oklahoma higher education institutions.² Without this tool, Oklahoma's system of higher education – so critical to economic development and job creation statewide – would be severely curtailed, along with the future prospects of Oklahoma's children.

At a time when America's standing as a world leader in education is being threatened, the Pell Grant program and its current funding levels must be preserved. Pell Grants have failed to keep up with the growing costs of college, and the gap between individual Pell awards and college costs has been widening since 1975.¹ Moving forward, the program should be strengthened to ensure it continues to offer opportunity and access to higher education.

PELL GRANTS COVER SHRINKING SHARE OF COLLEGE COSTS³

Share of attendance costs covered by maximum Pell Grant, by academic year



Note: Attendance costs are the average undergraduate tuition, fees, room, and board rate for public four-year institutions.

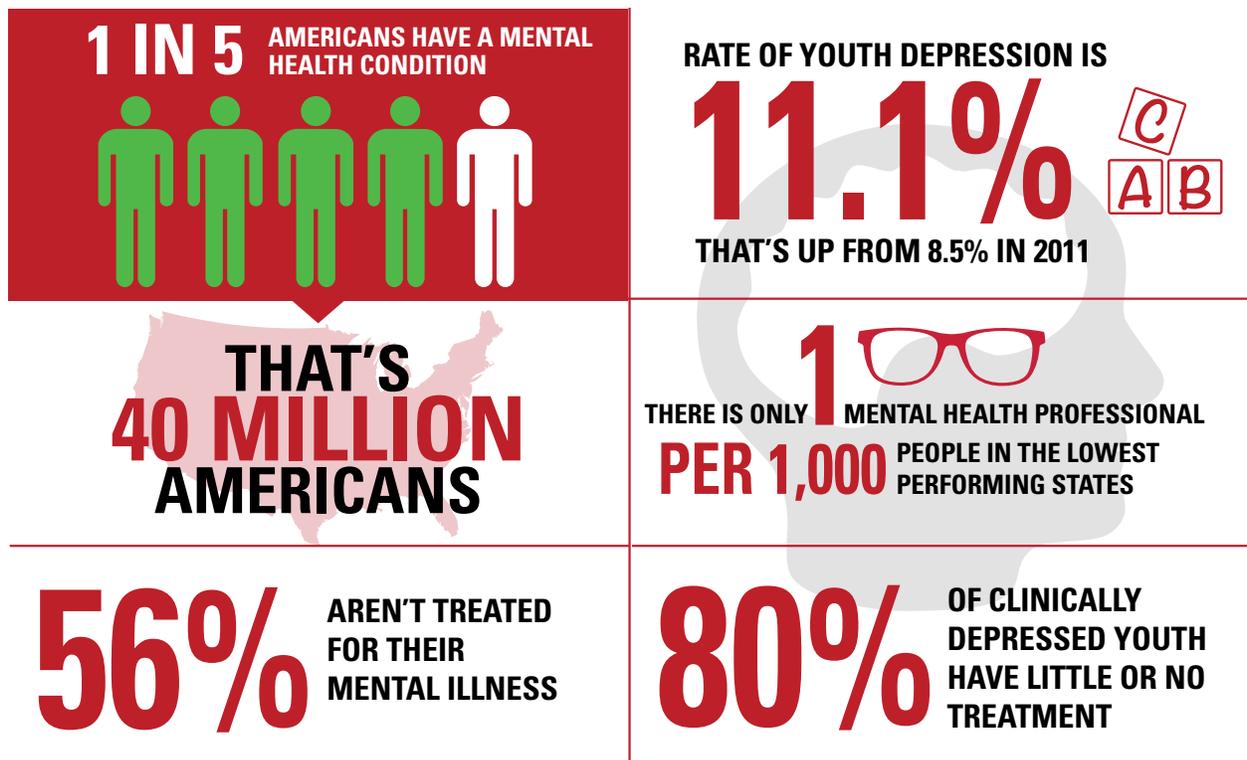
¹ Spiros Protopsaltis and Sharon Parrot, "Pell Grants – a Key Tool for Expanding College Access and Economic Opportunity – Need Strengthening, Not Cuts." Center on Budget and Policy Priorities. July 27, 2017.

² U.S. Department of Education, Pell Grant program 2016-16 annual report.

³ Source: CBPP based on college pricing data from College Board.

MENTAL HEALTH REFORM

Support full implementation of the reform measures signed into law as the 21st Century Cures Act in 2016. In addition, support continuing implementation and enforcement of the Mental Health Parity and Addiction Equity Act (MHPAEA), as amended by the Health Care and Education Reconciliation Act of 2010; and eliminate barriers to treatment set forth by the Medicaid Institutions for Mental Disease (IMD) exclusion policy and the 190-day lifetime limit for inpatient treatment of Medicare recipients. This would ensure equitable coverage for mental health and addiction services in individual, group health plans and group health insurance coverage.



Federal legislators can play a key role in highlighting behavioral health issues within national discourse, both by supporting key legislation and by advocating publicly for reforms that improve public safety and workforce strength nationwide. Few states would benefit from such work more than Oklahoma, which has one of the nation's highest rates of adult mental illness and substance abuse¹ – but change is clearly needed everywhere. In fact, 1 in 5 Americans, or more than 40 million, has a mental health condition, and more than half do not receive treatment.² Nationwide, behavioral health disorders are estimated to cost employers \$17 billion each year as a result of the loss of 217 million days of work and productivity losses, although some estimates range much higher.⁴

The 21st Century Cures Act passed in 2016 calls for HIPAA education; transparency and parity reports; funding for innovative, evidence-based programs; strengthened mental health care for children; improved

telemedicine for mental health; funding for the National Child Traumatic Stress Initiative; and early-intervention and prevention programs around youth suicide. Past legislation also sought to expand access, provide crisis care and integrate physical and mental health.³ These efforts must be implemented and funded appropriately.

Additional needed reforms center on the theme of integrating physical and mental health treatment. Although physical and mental health have historically been viewed separately, more modern thinking holds that the two paradigms are intricately linked and should be viewed as equal aspects of ensuring an individual's overall health. A key part of this effort must be to enforce treatment parity or ensuring behavioral health treatment is funded at the same level as an equivalent physical health procedure through Medicaid and Medicare.

1 Oklahoma Department of Mental Health and Substance Abuse Services; Statistics and Data. https://www.ok.gov/odmhsas/Additional_Information/Statistics_and_Data/

2 Mental Health America; "The State of Mental Health in America 2017."

3 Linda Rosenberg, The Hill: "The Helping Families in Mental Health Crisis Act: a good start." July 11, 2016.

4 Hargrave, George; Hiatt, Deirdre; and Shaffer, Ian: "The Impact of Mental Disorders on Work Productivity." MHN. 2008.

PROTECT FEDERAL NUTRITION PROGRAMS

Maintain the structure, financing and eligibility criteria of federal nutrition programs under the USDA, which benefit Oklahomans’ health, family stability and educational attainment. The Child and Adult Care Food Program; Free and Reduced School Breakfast and Lunch (including the Community Eligibility Provision); the Summer Food Service Program; Supplemental Nutrition Assistance Program (SNAP); and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) are all critical tools for combating food insecurity and preventing chronic disease, obesity, delayed early childhood development, absenteeism in schools, school behavioral issues and lower academic achievement.

FOOD INSECURITY¹

17%
Oklahoma’s food insecurity rate

26%
Oklahoma children who are food insecure

242,990
Estimated number of Oklahoma children who are food insecure

One in six Oklahoma households are classified as “food insecure,” defined as living without reliable access to nutritional food.² The problem is especially widespread in children, 26 percent of whom are food insecure.³ In urban school districts, that number can be much higher. For example, 80 percent of students at Tulsa Public Schools are eligible for free and reduced lunch.³ Food insecurity in schools impacts a student’s ability to concentrate, contributing to behavioral issues and resulting in lower test scores and lower grades.⁴ This, ultimately, leads to poor educational and workforce outcomes, making hunger a significant problem for the future of Oklahoma’s workforce.

Food insecurity also pervades many of our neighborhoods where poverty is high and there are few or no grocery stores – areas known as food deserts. This impacts employee productivity, absenteeism and health issues such as diabetes, immune system deficiencies and – because of a reliance on unhealthy, inexpensive food available in underserved neighborhoods – chronic obesity. All of these issues are associated with increased employer and government health costs.³

Nonprofit and charity groups are working to connect more Oklahomans to the programs that already exist at the federal level to increase access to nutritional food. Federal lawmakers can do their part as well by ensuring these federal programs are implemented efficiently and are free of waste and abuse.

FOOD DESERTS²

Food deserts are defined by the USDA as urban areas where **33 PERCENT** of the population **LIVES MORE THAN A MILE FROM A GROCERY STORE**, or 10 miles away in rural areas. The USDA also factors in poverty rates as an indicator of ability to purchase food, including geographic areas of highest poverty as well.

- 19%** Area of **TULSA COUNTY** IN A FOOD DESERT
- 45** Number of Oklahoma **COUNTIES** where more than **HALF OF RESIDENTS LIVE IN FOOD DESERTS**
- 54** Number of **OKLAHOMA COUNTIES** CONTAINING **FOOD DESERTS**
- 79%** Area of **FOOD DESERTS** IN **CHOCTAW COUNTY**, rated lowest for food access statewide

1 Feeding America, “Map the Meal Gap 2015, Food insecurity in Oklahoma.”

2 Jamie LaVarnway and Effie Craven, “An Overview of Food Deserts in Oklahoma: June 2017.” Regional Food Bank of Oklahoma and Oklahoma Food Banks.

3 Hunger Free Oklahoma, 2017.

4 Oklahoma State Department of Education, “Hofmeister announces summer meal initiative to combat food insecurity, feed hungry kids.” May 31, 2017.

SUPPORT PELL ELIGIBILITY FOR SHORT-TERM, INDUSTRY-DRIVEN TRAINING

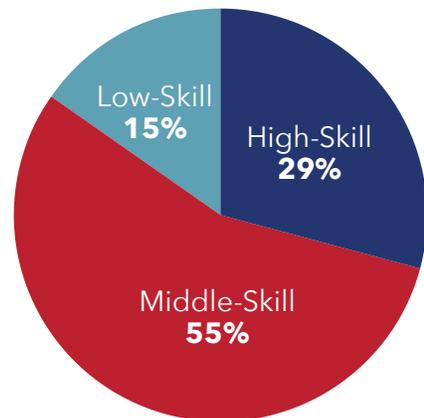
Expand Pell Grant eligibility to short-term, industry-driven training at higher education and vocational technical schools. Pell Grant eligibility is currently limited to programs covering two-thirds of an academic year, or 16 credit hours. This restriction was established before shorter-term credentials were as imperative for industry as they are today. Removing this restriction would help to build a much-needed worker pipeline for Oklahoma’s companies. In addition, continue support for, and recommend permanently reinstating, Second Chance Pell funding.



Pell Grants have been incredibly valuable tools for helping students in low- and middle-income families attend traditional degree programs, and funding and support for students choosing to attend such programs should continue. However, 52 percent of jobs in Oklahoma through 2024 will require “middle-skill” training, or jobs that require more than high school and less than a four-year college degree.¹

While 55 percent of current jobs in the state are considered “middle-skill,” only 47 percent of the state’s workforce is trained to that level.¹ Meanwhile, the state has an overabundance of low-skill workers compared to the need for such positions statewide, meaning too many Oklahomans are failing to reach the skill level needed to maximize their income potential.¹ A significant percentage of high-paying jobs in manufacturing and other STEM fields require CareerTech certifications and other short-term training, and this is increasingly touted as a valid and lucrative career direction for students in high school.² In a changing economy where high-skilled STEM jobs are increasingly advantageous, Pell eligibility should expand to include these positions.

JOBS BY SKILL LEVEL, OKLAHOMA 2015²

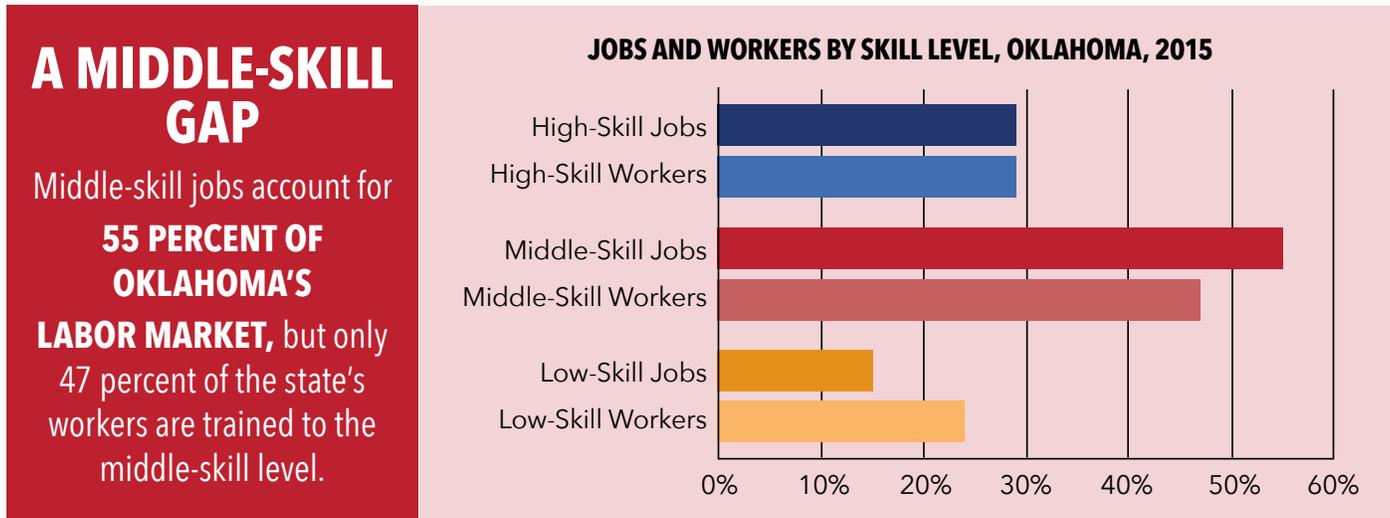


¹ Bureau of Labor Statistics, May 2015. Analysis by National Skills coalition.

² Tulsa Tech, 2017.

SUPPORT TRAINING OF MIDDLE-SKILL WORKERS

Support efforts to meet current industry needs for middle-skill workers eligible for jobs that require training beyond high school but less than a four-year college degree. This includes: 1) Funding the Workforce Innovation and Opportunity Act at the level recommended by Congress as reauthorized in 2014; 2) Providing dedicated support for partnerships between industry and higher education and vocational technology schools; 3) Increasing funding for the Work Opportunity Tax Credit and expanding this program's support to include apprenticeships and other work-based learning; and 4) Expanding alternative pathways to employment, including apprenticeships, to allow for greater flexibility in learning opportunities.



1 Bureau of Labor Statistics, May 2015. Analysis by National Skills coalition.
 2 National Skills coalition, "Congress should invest in adult basic education."

Oklahoma's skills gap is perhaps best illustrated in the statistic that 55 percent of Oklahoma's labor market contains "middle-skill" jobs, but only 47 percent of the state's workers have the CareerTech or short-term training needed for such positions.¹ This is also true nationwide, where 54 percent of jobs are middle-skill, but only 44 percent of workers qualify for such jobs. In fact, 36 million American adults lack the skills necessary to fill the jobs that already exist, notwithstanding the jobs that will be needed further into the 21st century.² Many of these jobs are in manufacturing and other STEM-related fields.

The OneVoice coalition has several suggestions for lawmakers looking to help fill this skills gap. The Workforce Innovation and Opportunity Act funds local- and state-driven job training programs that have proven critical for America's international competitiveness in STEM fields. However, funding for this program has decreased since 2010, putting a strain on proven job-training programs.² Increasing funding to previously-authorized levels would be a positive step. Meanwhile, the Work Opportunity Tax Credit available to employers who hire veterans and other targeted groups, including workers from disadvantaged families, can be expanded to support employers hiring individuals for job-training purposes. This would apply to apprenticeships, which are increasingly imperative for imparting the job-specific skills necessary in the workplace.

ENSURING A PROSPEROUS ECONOMY | FEDERAL PRIORITIES

COLLECTION OF ONLINE SALES/USE TAXES

Support passage of the Marketplace Fairness Act or other federal legislation that will ensure sales and use taxes already owed from online purchases are fairly and effectively reported, collected and remitted.

UNCOLLECTED ONLINE SALES/USE TAX *How it Hurts Oklahoma*

OKLAHOMANS SPEND MORE THAN \$2.9 BILLION ONLINE.¹



LOSS TO THE STATE: \$160 MILLION
LOSS TO MUNICIPALITIES: \$112 MILLION
LOSS TO COUNTIES: \$24 MILLION
BASED ON RESPECTIVE SHARE OF STATE SALES TAX
FY 2011-2012²

THE OKLAHOMA TAX COMMISSION ESTIMATES THAT OKLAHOMA COULD RECEIVE \$225 MILLION IN ADDITIONAL TAX REVENUE IF E-FAIRNESS LEGISLATION IS PASSED.



ONLINE SALES TAX REFORM: THE BENEFIT TO OKLAHOMA

E-fairness legislation to reform the collection of online sales tax would provide a dramatic benefit to our state. By the year 2022, the economic benefit to Oklahoma would be substantial.³

- **\$7.5 billion in additional GDP**
- **21,348 new jobs**

Under the nation's current tax system, not all retail sales are created equal. While brick-and-mortar retailers must remit sales and use taxes, many remote sellers – such as internet and catalog vendors – are exempt from such requirements. This creates a tremendously unfair advantage for online retailers over their Main Street, brick-and-mortar counterparts, which are often small businesses.

The Supreme Court's 1991 decision in *Quill Corp. v. North Dakota* prohibits collection from online-only corporations without congressional action. Therefore, reform must come at the federal level. To address this growing issue, "e-fairness" bills like the Marketplace Fairness Act and Remote Transaction Parity Act have been proposed. These initiatives would provide states the right to collect sales and use taxes already owed from online-only businesses, either through personalized state statutes or a multi-state agreement. This would eliminate the present system's inequality in taxing only local retailers.

Allowing states to establish an efficient tool for collecting consumption taxes already owed would eliminate a great disparity between community-based retailers and their online competitors. This is a common-sense solution in enforcing the tax laws already in place and ensuring local businesses are not placed at a competitive disadvantage. Not to mention, it would help generate significant new revenue in Oklahoma after facing years of continued budget shortfalls.

¹ The University of Tennessee. "State and Local Government Sales Tax Revenue Losses from Electronic Commerce." April 13, 2009.

² Oklahoma Municipal League. "Marketplace E-Fairness Update."

³ Standwithmainstreet.com. "Pro-Growth Tax Reform & E-Fairness Benefits for Oklahoma." December 2015.

ELIMINATE BARRIERS TO GREATER USE OF NATURAL GAS

Support measures to reduce or eliminate barriers to greater use of American-produced natural gas, including CNG, LNG, GTL and NGLs. Oklahoma is the third-largest producer of natural gas in the United States, and the Department of Energy should facilitate full development of this resource to strengthen the country's national security, economic outlook and geopolitical position in the world. DOE action on this initiative has the potential to significantly increase the Tulsa region's job creation in the production and manufacturing sectors.



As one of the top natural gas producers in the country, Oklahoma has a unique opportunity to positively impact the future of the United States. Natural gas is clean, reliable and affordable. The industry supports an estimated three million jobs and contributes \$385 billion to the national economy on an annual basis.¹ Increased use of this resource will lead to lower carbon emissions due to a competitive price with other sources that emit double the CO2 into the air. Natural gas continues to be on a strong upward trend and is now the leading energy source for power generation, supplying 34 percent of America's electricity needs.²

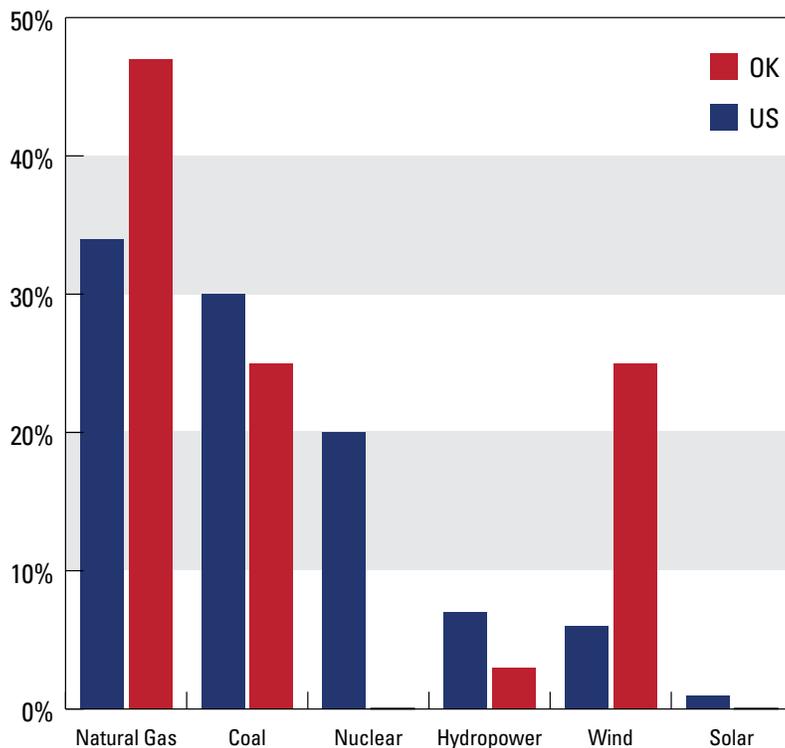
America's abundance of natural gas will enhance our national security and geopolitical position in the world. Having enough natural gas to meet our own needs at home will allow us to decrease a reliance on imports from other countries – some of which do not align with American values. In fact, the United States has even begun to export our resource to other regions around the world. This is a chance to help our European allies reduce their dependence on Russia and create opportunities in growing Asian markets.

Whether through conversion of vehicle fleets, electricity generation, industrial or residential use, natural gas plays a vital role in the lives of all Americans. We support efforts by Congress and the administration to implement common-sense solutions that make the United States a top energy producer and enhance our economic outlook for decades to come.

¹ The American Petroleum Institute. "Natural Gas: America's Abundant, Clean Energy." 2017.

² U.S. Energy Information Administration. "U.S. Electricity Generation by Energy Source."

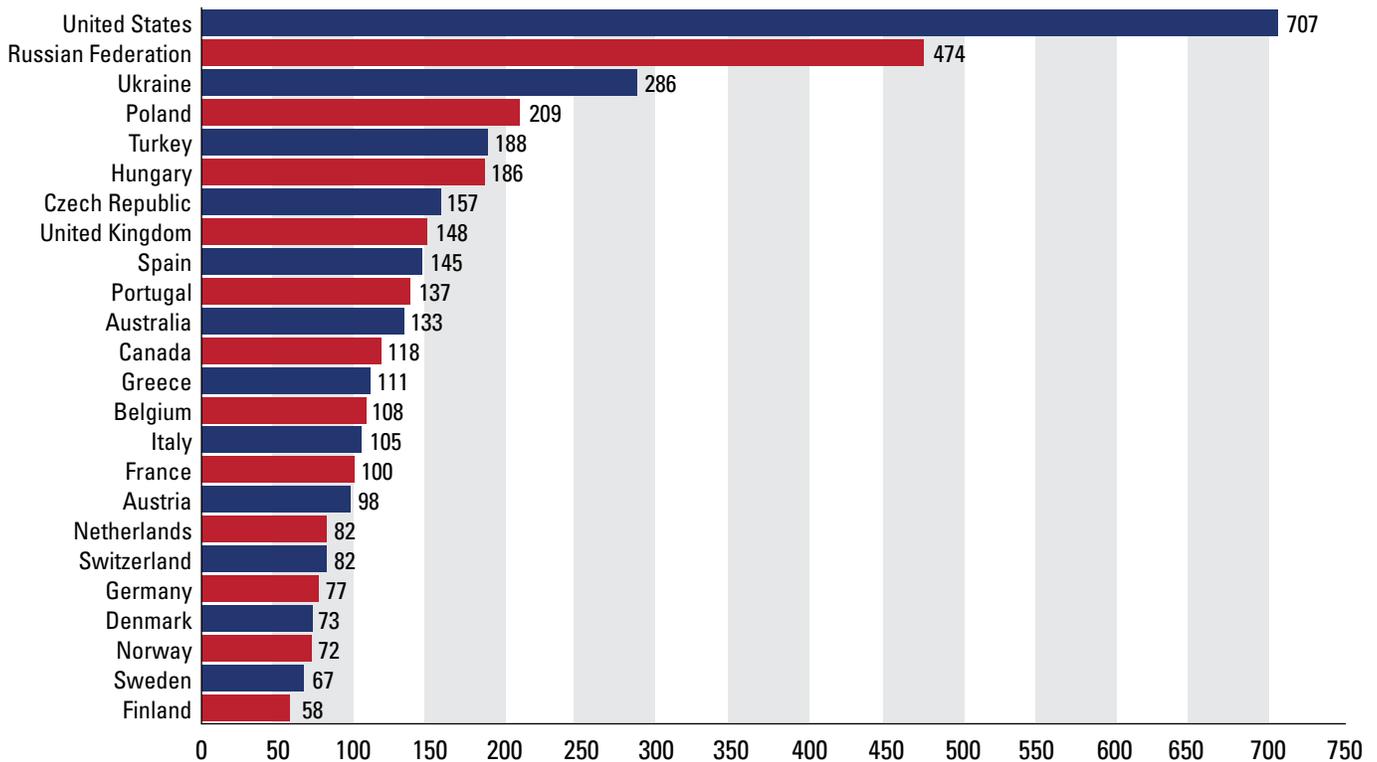
**U.S. VS OKLAHOMA
ELECTRICITY GENERATION BY SOURCE ²**



FEDERAL CRIMINAL JUSTICE REFORM

Reform national criminal justice systems to emphasize rehabilitation and restorative justice, and fully fund the Second Chance Act, Justice Reinvestment Initiative and Mentally Ill Offender Treatment and Crime Reduction Act. In addition, reconsider recent moves toward long sentences and the strongest possible charges for low-level drug offenses, which do not promote public safety, deterrence and rehabilitation. Smart-on-crime reforms will ease workforce shortages, save taxpayer money, improve public safety and lead to better pathways for ex-offenders to contribute meaningfully to their local economies.

INCARCERATION RATES PER 100,000¹



The land of the free is by far the world’s most incarcerated nation, holding 25 percent of the world’s incarcerated population despite only having five percent of the world’s population.¹ Drug and mental health issues pervade America’s prisons as a result of decades of policies that have ballooned the incarceration rate without decreasing drug usage or improving community safety.² In fact, overly-punitive justice systems across the country have made communities less safe by perpetuating intergenerational poverty. The current system also decreases the economic potential of nonviolent offenders and their children, thus increasing reliance on social programs and limiting the pool of qualified workers.

These policies have ballooned government costs at the expense of efficiency and outcomes, with more than \$27 billion in new prison costs looming for states.³

Although federal prisons are a relatively small slice of the overall incarcerated population, the federal government can play a significant role in encouraging smart-on-crime and offender job-training policies at the state level. More than half of states have already begun finding better criminal justice policies, reducing their prison population with better outcomes for offenders – including in many conservative states, such as Texas.⁴

1 The National Research Council, "The Growth of Incarceration in the United States: Exploring Causes and Consequences." 2014.

2 Peter Wagner and Bernadette Rabuy, "Mass Incarceration: The Whole Pie, 2017." Prison Policy Initiative.

3 Right on Crime, "Conservatives for Criminal Justice Reform." Sept. 26, 2017.

4 Brandon Garrett, "Conservatives Are Leading the Way as States Enact Criminal Justice Reform." The Council for State Governments, Justice Center. March 31, 2017.

FEDERAL HISTORIC TAX CREDITS

Maintain federal Historic Rehabilitation Tax Credits for the restoration of historic buildings. These credits have for 30 years been an important catalyst for incentivizing private investment to preserve the nation's historically significant buildings and revitalize the historic cores of American cities. The existing 20 percent income tax credit for certified historic structures and 10 percent credit for certain noncertified historic structures should be preserved. Additionally, support the School Infrastructure Modernization Act, which expands the tax credit to include historic school buildings that still operate as an educational institution.

**BENEFITS OF THE
FEDERAL HISTORIC
TAX CREDIT
OVER 40 YEARS ²**

\$109 BILLION
In private investment leveraged

2.41 MILLION
Jobs created

41,250
Buildings rehabilitated

Created in 1976, the Federal Historic Tax Credit is aimed at supporting rehabilitation of our nation's historic properties. In addition, the credit is largely aimed at economic development in many rural areas and older communities. The program is administered by the National Park Service, working collaboratively with states. There are two credits available: a 20 percent credit for certified historic structures and a 10 percent credit for non-certified, non-residential historic structures.

In recent years, the Historic Tax Credit has been a target for elimination or cuts due to fiscal concerns at the federal level. However, the tax credit is an effective use of federal dollars by achieving its intended purpose and spurring private economic investment. Every \$1 of historic tax credits generates a minimum of \$4 of private sector investment.¹ In fact, since its inception, \$21 billion in historic tax credits have generated more than \$26.6 billion in federal tax revenue associated with these rehabilitation projects. As an additional benefit, 75 percent of the economic benefits of these projects stay on the ground, in state and local economies.¹

In Oklahoma, our state historic tax credit directly mirrors the federal tax credit. According to a report prepared for the Tulsa Foundation for Architecture, it has attracted over \$415 million in rehabilitation expenditures in Oklahoma, with total project investment reaching \$520 million.³ These projects have generated 3,232 direct jobs and 3,514 indirect and induced jobs in our state – demonstrating the powerful economic impact of this credit.



1 National Trust for Historic Preservation; "The Federal Historic Tax Credit: Transforming Communities." June 2014.
 2 U.S. National Park Service; "Tax Incentives for Preserving Historic Properties." 2016.
 3 Tulsa Foundation for Architecture; "Economic Impact of the Historic Preservation Tax Credit." September 2016.

MAINTAIN FUNDING FOR EPA BROWNFIELDS PROGRAM

Encourage Congress to maintain, or even increase, current funding levels for the EPA's Brownfields Program. Federal funding for rehabilitating brownfields sites is vital for Oklahoma's communities to address core environmental challenges, and reopen land for successful economic development and growth.



Created in 1995, the Brownfields Program was established to help clean up and manage contaminated sites for economic redevelopment. Federal grants are provided to local communities in order to revitalize former industrial property for public and private projects. It promotes sustainability practices and is a collaborative effort between local, state and federal government agencies.

Some of the Tulsa area's most important venues would not be standing today without federal assistance through the Brownfields Program. The

BOK Center, ONEOK Field and Guthrie Green in downtown Tulsa are all tremendous success stories from former brownfields sites. The property of the future BMX headquarters north of downtown will also rely on the Brownfields Program for development.

Since the program's inception, it has assessed more than 27,000 properties and leveraged nearly 130,000 jobs.¹ We must support this important program and advocate for its continuation on behalf of our region.

¹ www.epa.gov; "Brownfields Program Accomplishments and Benefits." Accessed November 2017.

SBA LOAN PROGRAMS

Streamline the application and approval process for the SBA 7(a) Loan Program in an effort to reduce the administrative burden of such loans. Additionally, support legislation that allows small business owners to refinance existing commercial debt using SBA's 504 Loan Program, and support the SBA's 8(a) program for disadvantaged small businesses. This will increase the availability of capital for small businesses and accelerate the creation of jobs and the growth of our economy.

U.S. SMALL BUSINESS ¹

40%

Private non-farm economic output attributable to small businesses

60%

New jobs created by small businesses

99.7%

Companies with paid employees that are small businesses

¹ Office of Advocacy, U.S. Small Business Administration. Small Business Lending in the United States, 2014-2015. June 2017.



The U.S. Small Business Administration provides pay-back guarantees to lenders, giving small businesses and entrepreneurs access to capital investments they would otherwise lack the credit to obtain. Although not a direct loan to small businesses, SBA loan programs lessen the risk for banks lending to small businesses by promising to pay back a portion of the loan if the business defaults. This gives American small businesses the boost they need to remain a critical component of the economy. According to 2017 agency research of 2014-2015 loans, small business lending in the United States has begun to increase, signaling an improving economy.¹

The loan program is particularly helpful because it is available for a range of purposes, including working capital and equipment, that are necessary for starting and growing a small company. However, wait times for these loans can be lengthy, and small businesses often have difficulty navigating a process that requires large amounts of paperwork and multiple levels of review from both private lenders and the SBA. That makes this program unrealistic for companies needing relatively quick capital or those without substantial time and financial resources in the first place. The OneVoice coalition also supports reforms to other SBA loan programs to continue maximizing the benefits of these loan guarantees.

BUILDING INFRASTRUCTURE CRITICAL TO BUSINESS | FEDERAL PRIORITIES

MCCLELLAN-KERR ARKANSAS RIVER NAVIGATION SYSTEM

Increase congressional appropriations to address the approximately \$155 million in maintenance backlog of MKARNS – \$142.5 million of which is deemed critical – potentially leading to a shutdown of the waterway over the next five years. Also address the White River Entrance Channel cut-off problem caused by the tendency of the White and Arkansas rivers to merge together during flooding. Failure to correct this issue will lead to a loss of navigation on the entire system. Finally, provide the necessary appropriations to deepen MKARNS to its 12-foot authorized depth, thereby increasing barge productivity by 30 percent. Ensure any federal comprehensive infrastructure package includes funding for this issue.

The McClellan-Kerr Arkansas River Navigation System was authorized by Congress in 1946 to provide a 300-foot wide channel to the Tulsa Port of Catoosa. Since its inception, it has become a vital shipping channel for Tulsa, linking area businesses to customers around the world.

In order to realize the growth anticipated in the next decade, the 40-year-old McClellan-Kerr waterway must undergo much-needed maintenance. The U.S. Army Corps of Engineers has identified an existing critical maintenance backlog of over \$150 million, much of which has a probability of failure within the next five years. A failure of just one lock and dam will affect or shut down the entire navigational system at a cost of \$3 million per day.

At the end of 2016, Congress reauthorized the Water Resources Development Act, renamed as the Water Infrastructure Improvements for the Nation (WIIN) Act. This water resources development bill authorizes critical infrastructure across the nation and is a major step forward for the ports and waterways of our state. WIIN gives the Corps the authority to establish public-private funding partnerships that would address the project maintenance backlog, which is critically needed. Nevertheless, funding must still be appropriated, and we continue to support this as a top federal priority for the region, especially if Congress considers legislation to address an aging national infrastructure.

MCCLELLAN-KERR ARKANSAS RIVER NAVIGATION SYSTEM (MKARNS)

22,761

Jobs created by the Oklahoma MKARNS segment nationally ¹

\$300 MILLION

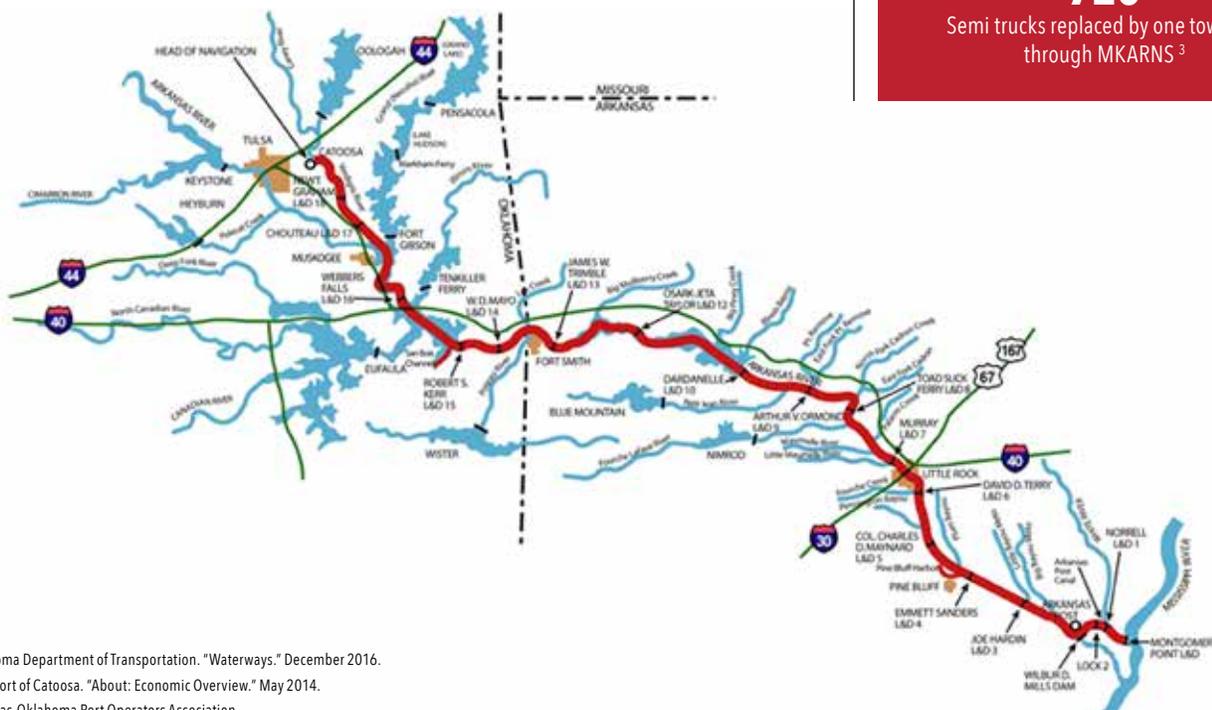
Economic impact of the nearly 70 facilities at the Tulsa Port of Catoosa ²

\$68 MILLION

Saved by moving freight by barge on Oklahoma waterways ³

720

Semi trucks replaced by one tow boat through MKARNS ³



1 Oklahoma Department of Transportation. "Waterways." December 2016.

2 Tulsa Port of Catoosa. "About: Economic Overview." May 2014.

3 Arkansas-Oklahoma Port Operators Association.

TULSA'S LEEVE SYSTEM

Continue to support addressing the critical infrastructure needs with Tulsa's aging levee system, which the Corps of Engineers has designated as one of the five percent highest-risk levee systems in the country. Federal legislation has authorized the Corps to develop a plan for addressing the structural deficiencies, but securing funding should remain a top priority. If one levee fails, it would be catastrophic for homeowners, two nationally strategic oil refineries and multiple industries currently protected by the system, and have devastating environmental impacts for the region. Ensure any federal comprehensive infrastructure package includes funding for this issue.

POTENTIAL IMPACT OF A LEEVE FAILURE

\$2 BILLION

In infrastructure damage¹

10,000

Residents displaced

2

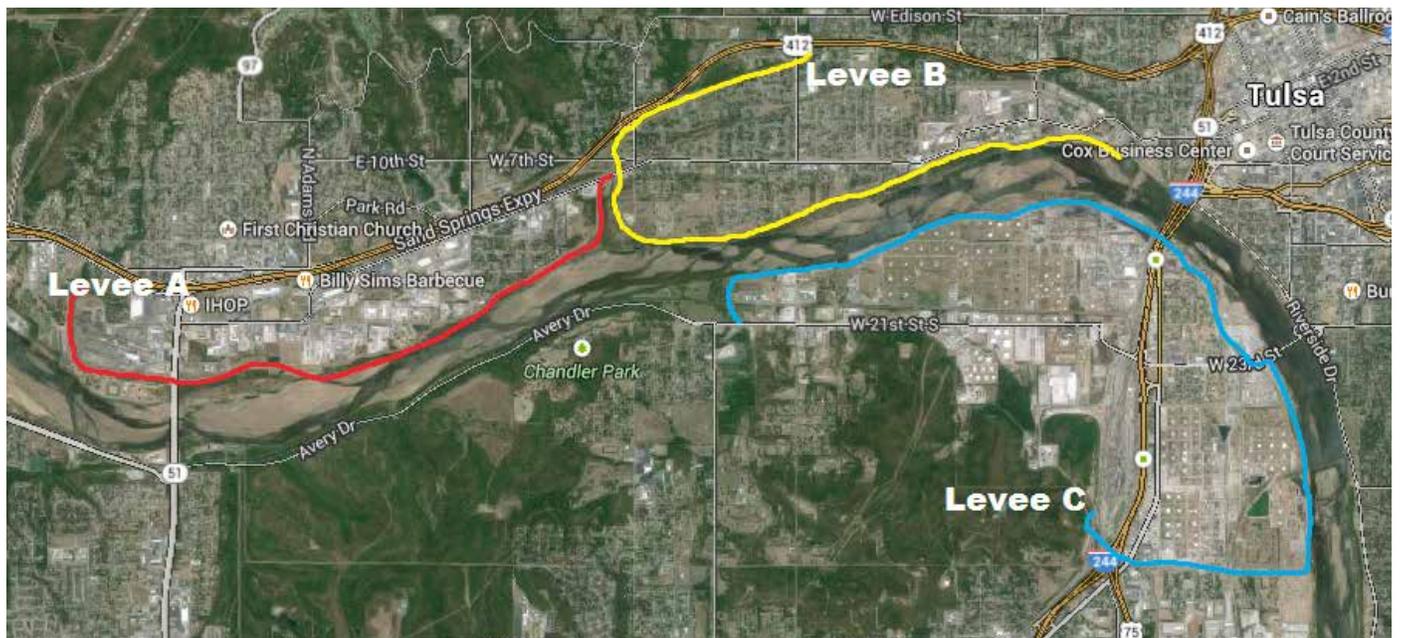
Refineries with a capacity of over 155,000 barrels per day²

The Tulsa-West Tulsa Levee System was constructed in 1945, under the direction of the U.S. Army Corps of Engineers. Tulsa County's levee districts span over 26 miles and protect more than 6,500 acres of property and 10,000 lives. The infrastructure surrounding the levees relies on their protection in the event of high waters. If a levee were to fail, it would cause more than \$2 billion in property damage for homeowners, two oil refineries and multiple industries.¹ This would also have devastating environmental impacts for our region.

Unfortunately, the Corps has determined that our levee system is one of the most at risk in the

region, largely due to aging infrastructure and because the design of the system limits its ability to meet Federal Levee Safety Program standards. According to Tulsa County, total preliminary cost estimates for rehabilitation of the system is \$34 million.¹

At the end of 2016, Congress passed the Water Infrastructure Improvements for the Nation Act (WIIN). This legislation authorizes development of a plan for modifying the levee system but has not yet appropriated the funding. Advocates in the Tulsa region must continue to collaborate with state and federal officials in order to address vital improvements to the levees.



¹ Tulsacounty.org; "Tulsa County Levee Districts." Accessed November 2017.

² U.S. EIA. "Refiners' Total Operable Atmospheric Crude Oil Distillation Capacity." January 2017.

ADVOCATE WITH US

The Tulsa Regional Chamber offers a number of events for legislative advocacy, keeping in touch with policy makers and staying informed on current issues. Visit the Regional Advocacy section of tulsachamber.com for details. **To register for an event, check tulsachamber.com/events.**

JOIN THE ONEVOICE PROCESS

Be one of the hundreds of Chamber members and OneVoice coalition partners who discuss and craft the OneVoice Regional Legislative agenda each year. Join one of nine issue-specific taskforces, which meet over the summer. Then help finalize the agenda at the OneVoice Regional Legislative in the fall.



ONEVOICE TASK FORCES

- Business & Environmental Resources**
- Development, Economy & Taxes**
- Education**
- Energy**
- Health Care Advocacy**
- Workforce & HR**
- Regional Tourism**
- Small Business & Entrepreneurship**
- Transportation & Infrastructure**



Email ronnamontgomery@tulsachamber.com for more information about the OneVoice task forces and how to get involved.



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