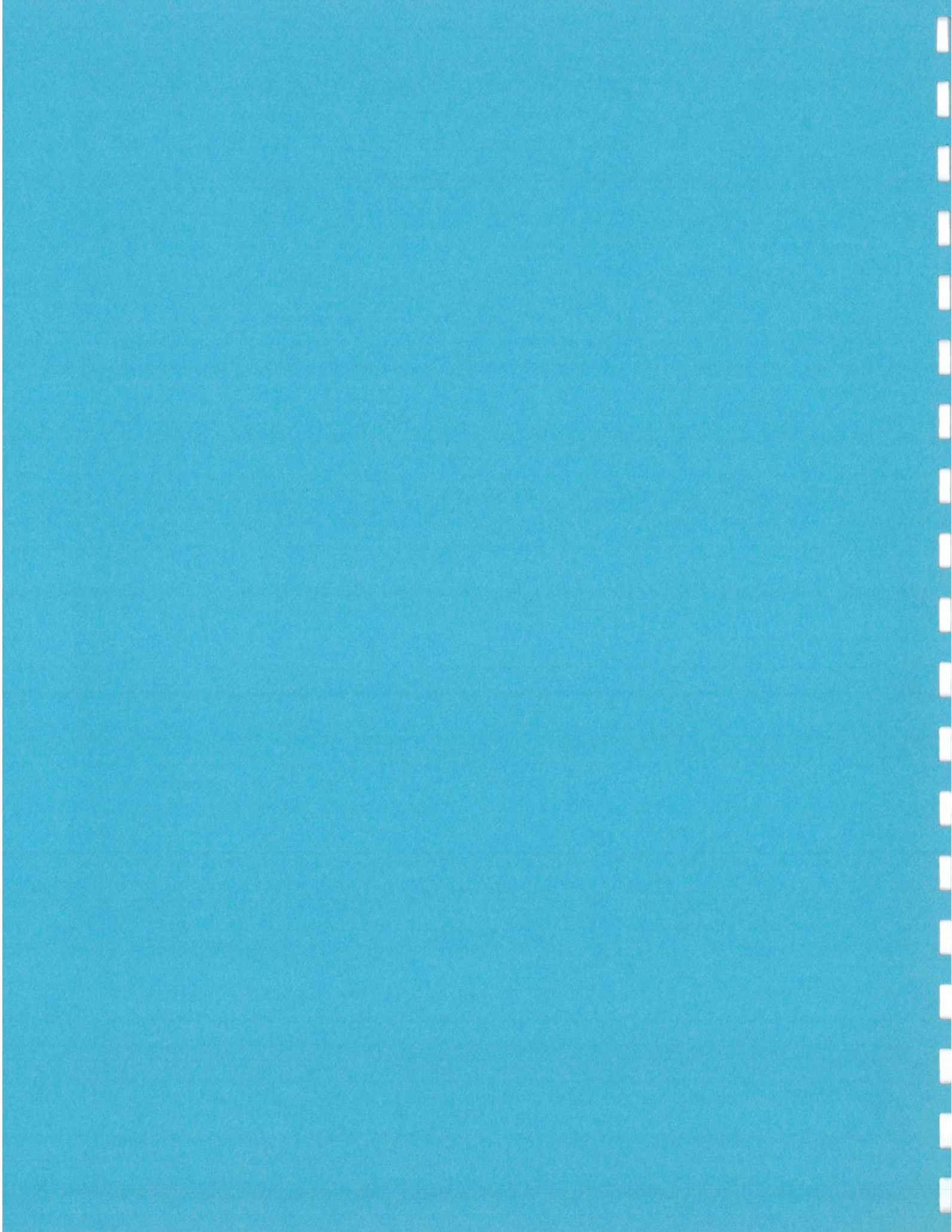


FY'99 APPROPRIATIONS REPORT

ACTIONS OF THE 1998 LEGISLATURE



OKLAHOMA STATE SENATE



FY'99 APPROPRIATIONS REPORT

ACTIONS OF THE 1998 LEGISLATURE

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Senator Stratton Taylor

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Oklahoma State Senate



FY'99 Appropriations Report

Actions of the 1998 Oklahoma Legislature

Overview

For the 1999 fiscal year the Legislature appropriated a total of \$4,877,234,307. During the 1998 session the Legislature also appropriated \$8,651,402 in supplemental funding for the FY'98 operations of state agencies.

Appropriations for FY'99 are \$378.6 million higher than the original appropriation for FY'98 (before the addition of supplemental appropriations). This represents an increase of 8.4%. From the Adjusted FY'98 Appropriation (after the addition of supplemental appropriations) the increase is \$370.0 million or 8.2%. Table 1 outlines the appropriations made during the 1998 Session.

Several actions were taken by the Legislature to enhance the amount of revenue available for appropriation. HB 3152 changed the state withholding tax payment schedule, for companies owing more than \$100,000 per month, to match the federal tax payment schedule. This change provides a one-time gain in income tax withholding due to the fact there will be an additional one-half month collection received during FY'99. The additional amount available for appropriation was \$17.7 million of general revenue and \$1.7 million in the Education Reform Revolving Fund. Another \$5.0 million in general revenue was made available for appropriation by decreasing the time period the Tax Commission waits (from 6 months to 60 days) before referring delinquent accounts to collection agencies. This change also added \$0.5 million to the Education Reform Revolving Fund. For a complete listing of the adjustments to revenue certification made by the Legislature, see Table 6.

General Appropriations Bill

A General Appropriations bill (HB 3050) was passed on April 13th to provide a base funding level for all agencies. The bill appropriated a total of \$4,419,406,830 for the FY'99 operations of state agencies. The GA appropriation level for each agency generally equaled the agency's FY'98 appropriation, less one-time expenditures.

Supplemental Appropriations

Supplemental appropriations totaling \$8,651,402 were adopted for the FY'98 operations of state agencies. The largest supplemental amount (\$3.3 million appropriated in three separate measures) went to the District Courts to offset a shortfall in the State Judicial Fund. In an effort to address issues brought out by the Courts' need for supplemental funding, HB 3062 was passed requiring more stringent reporting of revenues and expenditures at the local level. A

total of \$2.3 million in supplemental funding was provided the Vocational-Technical system for the Training for Industry program, which contracts with businesses to provide worker training through area vo-techs. Also, an additional \$1.6 million was appropriated for the Deferred Compensation Incentive program. Funding was needed for this program due to the strong response of eligible state employees. Table 2 has a complete listing of supplemental appropriations made during the 1998 session.

Tax Reductions

The Legislature approved tax relief measures in the area of individual income taxes, sales tax rebates, estate tax exemptions, and small business administration guaranties. The FY'99 revenue impact was relatively small (\$19.5 million), but the FY'00 impact is expected to be much larger (\$75 million). Table 9 lists the tax relief measures that were enacted and their estimated impacts on revenue for the current and subsequent fiscal years.

Governor's Vetoes

The Governor vetoed appropriations totaling \$17.1 million. The largest veto was for \$11.1 million in Department of Human Services funding. The Legislature subsequently took these funds and appropriated them to various other agencies. The Governor's vetoes affected funds designated for pay increases in the following agencies: the Horse Racing Commission, Corporation Commission, and Department of Commerce. Other vetoes affected after school programs, museum grants (historical Society), regional economic development (Department of Commerce), and infrastructure and market development (Department of Tourism and Recreation). For a more complete listing of the Governor's vetoes, see Table 3.

Constitutional Reserve Fund (Rainy Day Fund)

The Legislature appropriated \$154,444,000 (of the \$154,453,268 available for appropriation) from the Constitutional Reserve Fund. Of this amount, \$80.0 million was for the Roads Program authorized by HB 1629 (1997 session). Higher Education received \$24 million for ongoing needs, while common education was appropriated \$16.4 million for one-time costs associated with technology needs. The Legislature appropriated \$5 million from the Rainy Day Fund for the Murrah Building Memorial and \$1 million to Indigent Defense System for the possible defense of Timothy McVeigh and Terry Nichols in Oklahoma District Court.

In the area of the environment, \$3.5 million went to the Water Resources Board to capitalize loans within the Drinking Water State Revolving Fund, while \$3.5 million was appropriated to the same agency to match federal funds for non-point source grants. A total of \$1 million also went to the Water Resources Board for water quality monitoring, while \$3 million was appropriated from the Rainy Day Fund to clean up the EPA superfund site at Tar Creek. Finally, the Conservation Commission received \$1.75 million for its Cost Share Match program to improve conservation structures across the state.

The Supreme Court received \$3 million to begin implementation of its statewide computerization plan, and the Tax Commission got \$752,000 to replace its aging mainframe computer. The Office of State Finance received \$342,000 to pay for telephone line charges to rural hospitals for the Oklahoma Telemedicine Program.

The Historical Society received \$1.5 million for its facilities statewide, while the Department of Tourism and Recreation was appropriated \$900,000 for state parks maintenance and another \$1.5 million to finish construction on three golf courses located at Texoma State Park, Roman Nose State Park, and in Langley in northeastern Oklahoma.

See Table 4 for a complete listing of expenditures from the Rainy Day Fund.

Bond Issue

Agreement on a revenue bond issue was reached late in the 1998 session. HB 3066, as amended by HB 3065, outlines the expenditure of \$158.1 million in bond money for various state projects. The bill also states legislative intent to authorize an additional \$156.9 million in bond fund projects during the 1999 session.

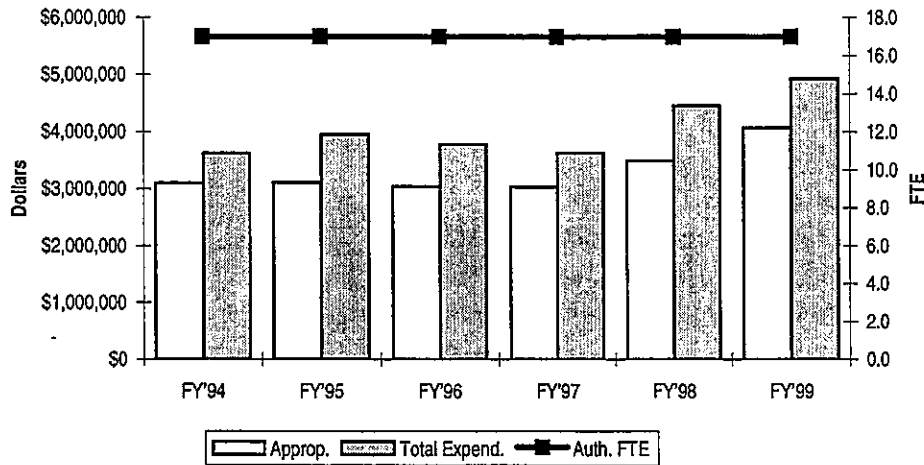
Receiving the largest share of funding in the initial offering was Higher Education, with \$45 million in bond funds identified. Another \$32 million was set aside for a new History Center. When the Historical Society vacates its current location in the Wiley Post Building, the Supreme Court will use its \$10 million in bond funds to renovate that space for its own use. The Department of Veterans Affairs will use \$13.8 million in bond money to match \$25.6 million in federal funds to construct a new facility in Lawton, while the J.D. McCarty Center in Norman will use \$10.3 million in bond funds replace its aging facility with a new one. A total of \$13.5 million was set aside for badly needed maintenance and repairs at the Schools for the Deaf and Blind within the Department of Rehabilitation.

Table 7 provides a detailed listing of the projects authorized in HB 3066, as amended by HB 3065.

SUBCOMMITTEE ON EDUCATION

State Arts Council

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$3,100,565	-10.0%	\$3,625,699	-16.3%	16.3	17.0
FY'95	\$3,112,095	0.4%	\$3,954,750	9.08%	15.2	17.0
FY'96	\$3,038,037	-2.4%	\$3,782,327	-4.36%	15.5	17.0
FY'97	\$3,036,037	-0.1%	\$3,631,119	-4.00%	15.0	17.0
FY'98	\$3,495,267	15.1%	\$4,461,143	22.86%	16.3	17.0
FY'99	\$4,069,644	16.4%	\$4,930,041	10.51%		17.0
6 Year Change	\$969,079	31.3%	\$1,304,342	36.0%		
Infl. Adjusted 6 Year Change	\$535,643	17.3%	\$779,270	21.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.
The FY'99 figure is an estimate of anticipated expenditures.

The Arts Council competes for and receives funding for statewide projects from the National Endowment for the Arts. The amount of competitive funds available from NEA has decreased annually for the past several years.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	3,495,267	17.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Community Programs Project Assistance - Funding is to help restore loss of funds at the federal level and to increase the total number of grants awarded for community programs.	500,000	
2. Sculpture - Funding for a statute at the OSU campus in Tulsa.	50,000	
3. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	24,377	
Total Adjustments	<u>574,377</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>4,069,644</u></u>	<u><u>17.0</u></u>

III. GOVERNOR'S VETOES

None.

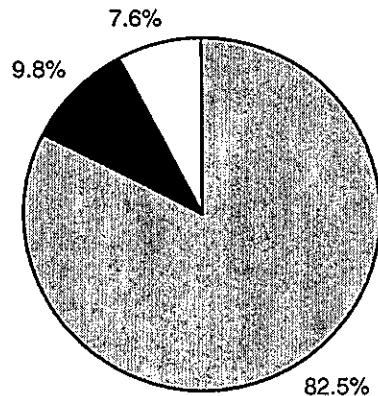
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Revenue	\$4,069,644
Federal Funds	\$483,397
Revolving Funds	\$377,000
Total FY'99 Budget	<u>\$4,930,041</u>

FY'99 Budget by Source



Appropriation Reference:

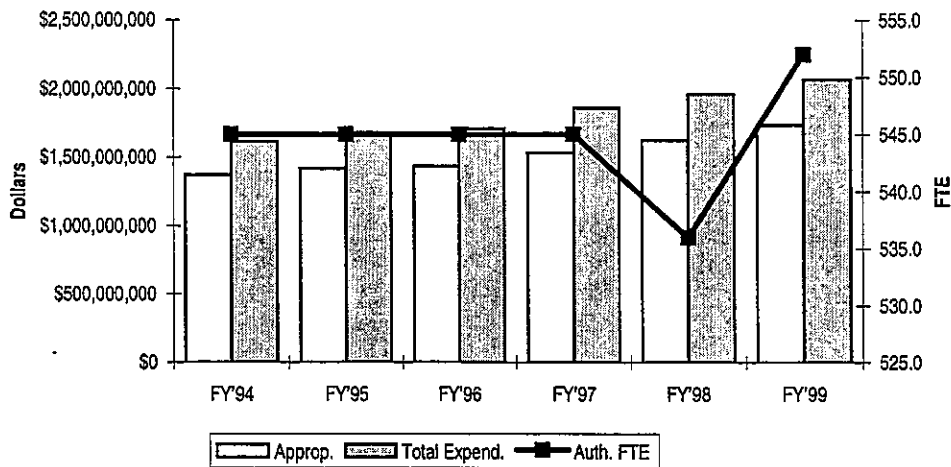
HB 3050 (GA Bill), Section 1
 SB 940 (Appr. Bill), Section 1
 SB 971 (Clean-up Bill), Section 2

Expenditure Limit Reference:

SB 940, Sections 2-3

State Board of Education

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$1,369,563,444 *	6.0%	\$1,615,602,858	3.8%	487.3	545.0
FY'95	\$1,420,694,338	3.7%	\$1,680,702,176	4.0%	519.0	545.0
FY'96	\$1,435,336,213	1.0%	\$1,708,560,403	1.7%	506.0	545.0
FY'97	\$1,534,049,774	6.9%	\$1,858,893,815	8.8%	512.0	545.0
FY'98	\$1,626,290,254	6.0%	\$1,960,176,328	5.4%	518.0	536.0
FY'99	\$1,738,531,635 #	6.9%	\$2,066,031,635	5.4%		552.0
6 Year Change	\$368,968,191	26.9%	\$450,428,777	27.9%		
Infl. Adjusted						
6 Year Change	\$183,806,494	13.4%	\$230,386,809	14.3%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Includes \$23,649,239 from the Education Reform Revolving Fund. Monies available from this fund include \$7,449,239 appropriated during the 1992 session, \$15 million transferred from the Voluntary School Consolidation Funding during the 1992 session, and \$1.2 million transferred from the Voluntary School Consolidation Funding during the 1993 session. This figure also includes \$5,347,775 appropriated from the Constitutional Reserve Fund for Mid-Term Adjustments.

Includes \$16.4 million appropriated from the Constitutional Reserve Fund.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	1,626,290,254	536.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. Student Identification System	-1,500,000	
2. Ad Valorem Protest Funds	-4,546,000	
Other Appropriation Adjustments		
1. Teacher Salary Increases - Funding was provided to equalize the step increases in the Minimum Salary Schedule. Every step increase from 1 year to 25+ years is \$332.	23,000,000	
2. Retirement Credit Increases - Due to the changes in the Minimum Salary Schedule, funding for the Retirement Credit for certified employees was increased.	1,881,700	
3. Certified Employee Benefit Allowance - Funding was provided for certified personnel, excluding district superintendents, to create a benefit allowance that can be used toward health insurance premiums or as taxable compensation. The allowance equals 1/3 of the health insurance premium (\$57.00 per month). In addition to this amount, another \$1.4 million of reappropriated dollars from State Aid was used to fund the Certified Employee Benefit Allowance (See Other Issues).	29,450,366	
4. Support Staff Benefit Allowance - Funding was provided for support staff to create a benefit allowance that can be used toward paying health care premiums or as taxable compensation. The allowance equals 1/2 of the health insurance premium (\$85.00 per month).	22,976,244	
5. Growth Funding - Funding for increases in the student population.	17,115,000	
6. Early Intervention (SoonerStart) - This program, which serves developmentally delayed children, is projecting an increase in the number of children served and an increase in the number of FTE.	1,418,247	16.0
7. Alternative Education - The statewide Alternative Education Program is to be fully funded by the 2000-01 school year. This funding will provide additional schools with the resources necessary to implement programs in their areas.	500,000	

Adjustments (cont'd.)

8. Reading Sufficiency Act - Funding provides for remediation costs for students not reading at grade level in grades 1 through 3 (\$150 per student), and for Professional Development Institutes for elementary teachers to become better reading teachers and recognize reading problems at an early age.	4,245,575	
9. Eighth Grade Reading Test - Cost of providing reading test for students attempting to obtain a driver's license, but who have not passed a test for 8th grade level reading.	333,000	
10. Criterion Reference Testing - Increased funds for the continuation of developing and implementing criterion reference testing in all subject matter.	296,860	
11. School Lunch Matching - Funding for the state match of the National School Lunch Program.	35,411	
12. Technology in the Classroom - Funding was provided to the State Board of Education from the Rainy Day Fund to provide interactive video hook-ups for classrooms and to lease-purchase computer hardware, software and other technology.	16,400,000	
13. Interlocal Collaborative Technology Educ. Grants - Funding to increase the number of grants for small school cooperatives.	25,000	
14. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	609,978	
Total Adjustments	112,241,381	16.0

C. FY'98 Appropriation

<u>1,738,531,635</u>	<u>552.0</u>
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III. GOVERNOR'S VETOES

The Governor vetoed HB 3120 which created the Technology in the Classroom Act. This veto eliminated the Classroom Technology Fund resulting in the loss of \$2,520,267 in reappropriated funds.

IV. OTHER ISSUES






Reappropriated Funds

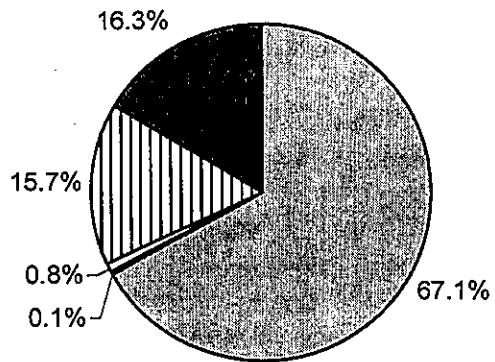
1. Certified Staff Benefit Allowance - Reappropriation from FY'98 State Aid.	1,400,000
2. Special Education Assistance Fund - Reappropriation from Student Identification System.	100,000
3. Advanced Placement Program - Reappropriation from Student Identification System.	500,000
4. Parents as Teachers Program - Reappropriation from Student Identification System.	500,000

Total Reappropriated Funds	2,500,000
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V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$1,385,696,246	
Reappropriated Funds	\$2,500,000	
Constitutional Reserve Fund	\$16,400,000	
Federal Funds	\$325,000,000	
Education Reform Revolving Fund	\$336,435,389	
Total FY'99 Budget	\$2,066,031,635	



Appropriation Reference:

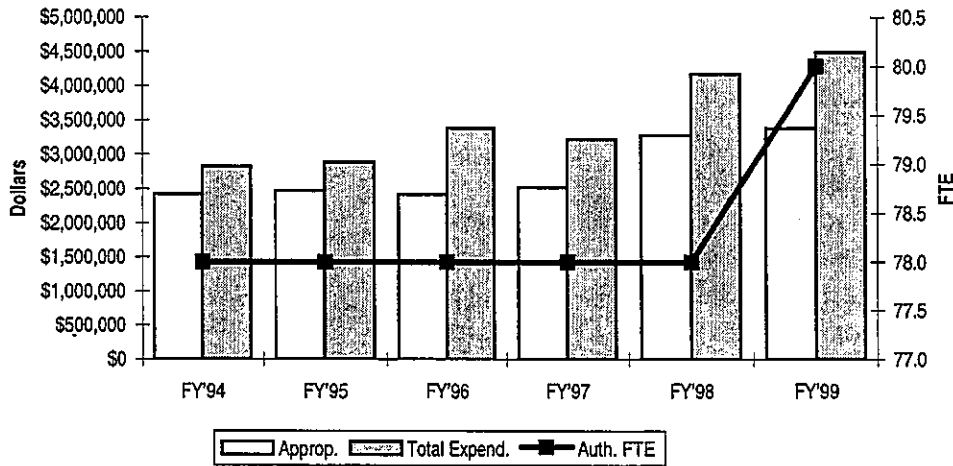
- HB 3050 (GA Bill) - Sections 2-9
- SB 901 (Appr. Bill) - Sections 1-9
- SB 971 (Clean-up Bill) - Sections 19-21

Expenditure Limit Reference:

- SB 901 - Sections 12 and 32

Oklahoma Educational Television Authority

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$2,422,847	-17.1%	\$2,822,926	-6.4%	66.7	78.0
FY'95	\$2,470,180	2.0%	\$2,889,414	2.4%	64.0	78.0
FY'96	\$2,422,367	-1.9%	\$3,386,090	17.2%	62.3	78.0
FY'97	\$2,518,361	4.0%	\$3,226,956	-4.7%	60.2	78.0
FY'98	\$3,283,681	30.4%	\$4,178,485	29.5%	60.0	78.0
FY'99	\$3,385,382	3.1%	\$4,492,992	7.5%		80.0
6 Year Change	\$962,535	39.7%	\$1,670,066	59.2%		
Infl. Adjusted						
6 Year Change	\$601,976	24.8%	\$1,191,541	42.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	3,283,681	78.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	101,701	
2. Documentary Program - (See Other Issues)	0	2.0
Total Adjustments	<u>101,701</u>	<u>2.0</u>
C. FY'98 Appropriation	<u><u>3,385,382</u></u>	<u><u>80.0</u></u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

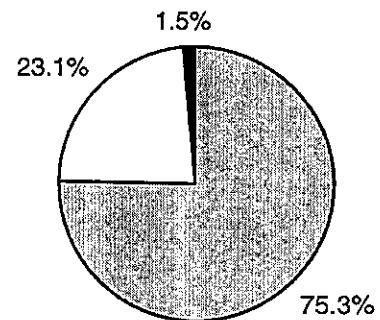
Reappropriated Funds

- | | |
|--|---------|
| 1. Documentary Program - Reappropriated funds for a new documentary program. | 179,155 |
| 2. Digital Satellite Equipment - Reappropriated funds to complete the purchase of new digital satellite equipment for a statewide network. | 364,500 |

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$3,385,382	■
Revolving Funds	\$1,039,135	■
Carryover Funds	\$68,475	■
Total	<u>\$4,492,992</u>	

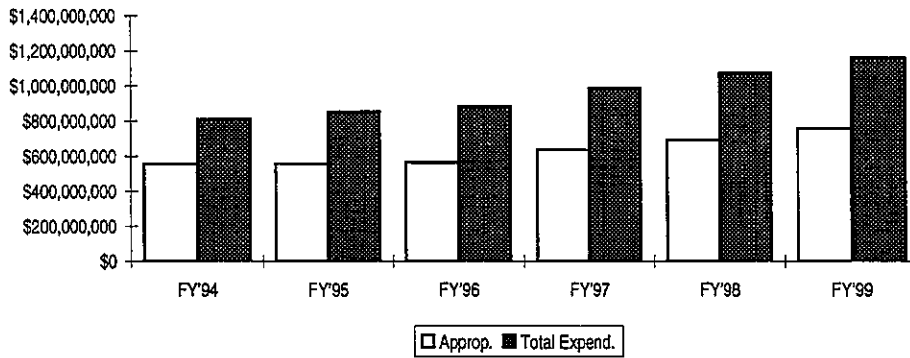


Appropriation Reference:
 HB 3050, Section 10
 SB 940, Sections 21-23

Expenditure Limit Reference:
 SB 940, Section 24

Oklahoma State Regents for Higher Education

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE*</u>	<u>Auth. FTE*</u>
FY'94	\$556,375,227 #	-3.3%	\$812,492,938	9.2%	N/A	N/A
FY'95	\$557,740,270 ¶	0.2%	\$855,135,751	5.2%	N/A	N/A
FY'96	\$564,806,579	1.3%	\$883,793,230	3.4%	N/A	N/A
FY'97	\$636,206,579	12.6%	\$988,279,192	11.8%	N/A	N/A
FY'98	\$693,299,391	9.0%	\$1,074,103,677	8.7%	N/A	N/A
FY'99	\$757,862,120 ^	9.3%	\$1,161,816,564	8.2%		N/A
6 Year Change	\$201,486,893	36.2%	\$349,323,626	43.0%		
Inf. Adjusted						
6 Year Change	\$120,771,056	21.7%	\$225,584,764	27.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* This agency is not subject to FTE limits.

Includes \$28,437,873 appropriated from the Constitutional Reserve Fund.

¶ Includes \$3,000,000 transferred from the Building Bond Revolving Fund and \$25,713,013 appropriated from the Constitutional Reserve Fund. This appropriation was repealed and the funds were subsequently provided in a supplemental appropriation the FY'94 General Revenue Fund.

^ Includes \$24,000,000 appropriated from the Constitutional Reserve Fund.

A significant portion of the FY'94 and FY'95 appropriations were funded with nonrecurring revenues appropriated from the Constitutional Reserve Fund. For FY'94 the Regent's Office and Institutions were directed to use these funds for one-time expenditures only.

In FY'96 the Legislature authorized a 7% across the board increase in general enrollment fees and tuition limits for lower-level, upper level and graduate courses at all institutions. A 15% increases in tuition and general enrollment fees was also authorized for all professional (law, medicine, dental, optometry, pharmacy and veterinary medicine) schools. These increases apply to both resident and non-resident students.

In FY'98 tuition and general enrollment fees were increased. The increases by type of institution are as follows: Comprehensive Universities 9%, Regional Universities 7%, two-year colleges 5% and professional schools 15%.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	693,299,391	N/A

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Mandated Cost Increases - Funding for increases in employee benefits, cost of insurance premiums, increases in maintenance, etc.	10,514,252	
2. Institutional Priorities - Funding for institutional priorities as requested by the State Regents on behalf of the higher education institutions. Funded items include: Institutional Priorities - \$31.4 million Endowed Chairs Program - \$3.5 million Economic Development - \$3.3 million Technology - \$2 million Rogers State/OSU-Tulsa \$1 million Tulsa Graduate Center - \$2 million Langston Endowment - \$2 million Northeastern University - \$2 million OneNet - \$1.2 million Natural History Museum - \$1.6 million Other - \$3.9 million	53,925,458	
3. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	123,019	
Total Adjustments	<u>64,562,729</u>	<u>0.0</u>

C. FY'98 Appropriation	<u>757,862,120</u>	<u>N/A</u>
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III. GOVERNOR'S VETOES

None.




IV. OTHER ISSUES

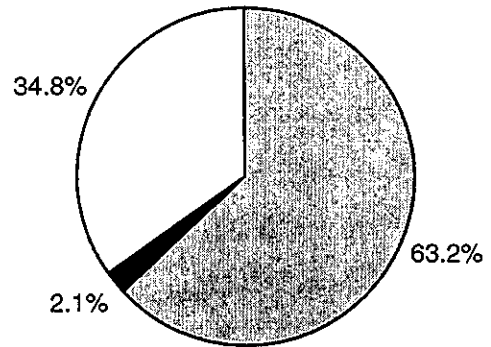
A. In HB 3066 the Legislature authorized a general obligation bond issue, in which Higher education institutions received \$45.0 million for capital improvements. The distribution is as follows:

1. OSU/Tulsa	\$2.0 Million
2. Langston University	\$2.0 Million
3. Northeastern State	\$2.0 Million
4. Rogers State University	\$4.0 Million
5. Comprehensive Universities	\$11.6 Million
6. Regional Universities	\$11.6 Million
7. Two-year Colleges	\$11.6 Million

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Allocations	\$733,862,120	
Constitutional Reserve Fund	\$24,000,000	
Revolving Funds	\$403,954,444	
Total FY'99 Budget	\$1,161,816,564	

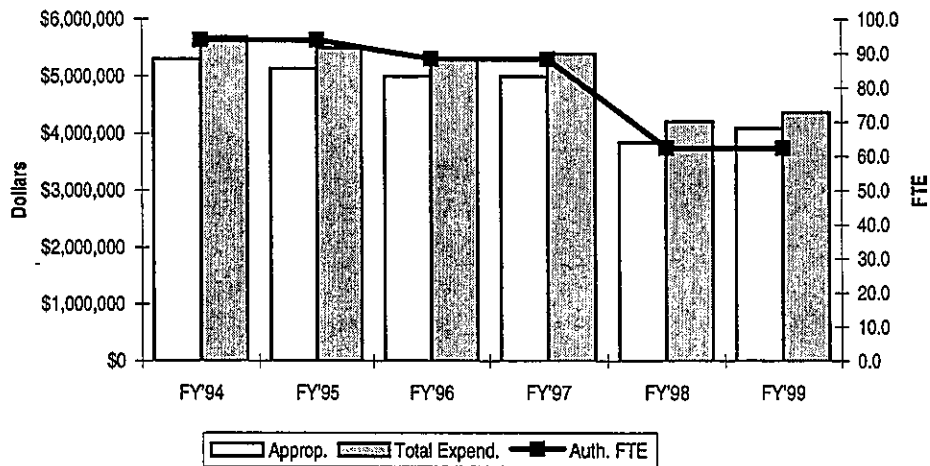


Appropriation Reference:
 HB 3050, Sections 11-13
 HB 3065, Section 1
 HB 3048, Section 12
 SB 965, Sections 2-3
 HB 1001 (Special Session), Sections 1-4

Expenditure Limit Reference:
 N/A

Commissioners of the Land Office

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$5,301,606	-0.1%	\$5,690,606	-1.5%	86.0	94.0
FY'95	\$5,136,851	-3.1%	\$5,499,365	-3.4%	88.7	94.0
FY'96	\$5,000,000	-2.7%	\$5,299,999	-3.6%	78.1	88.5
FY'97	\$5,000,000	0.0%	\$5,396,000	1.8%	56.1	88.5
FY'98	\$3,847,105	-23.1%	\$4,214,375	-21.9%	54.3	62.5
FY'99	\$4,092,947	6.4%	\$4,372,947	3.8%		62.5
6 Year Change	-\$1,208,659	-22.8%	-\$1,317,659	-23.2%		
Infl. Adjusted						
6 Year Change	-\$1,644,577	-31.0%	-\$1,783,398	-31.3%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	3,847,105	62.5
B. FY'99 Adjustments		
	Total	FTE
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Real Estate Management - Funding for a Land Management Technician to increase soil conservation efforts and to manage the land inventory.	171,406	
2. Insurance and Longevity - Annualization of insurance allowance and longevity payments.	36,175	
3. Budget Reduction - Due to changes in the agency (equipment and office space reduction).	-53,808	
4. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	92,069	
Total Adjustments	<u>245,842</u>	<u>0.0</u>
C. FY'98 Appropriation	<u><u>4,092,947</u></u>	<u><u>62.5</u></u>

III. GOVERNOR'S VETOES

None.

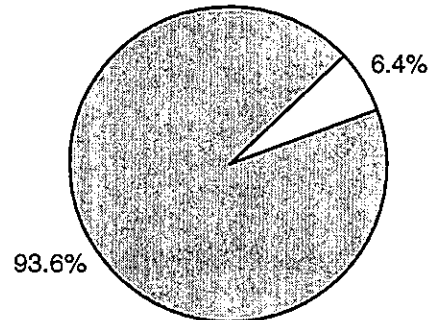
IV. OTHER ISSUES

The sum of \$1,166,963 will be allocated from the Commissioners of the Land Office Fund to school districts as part of their school land revenues.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Revenue Funds	\$4,092,947	■
Revolving Funds	\$280,000	□
Total FY'99 Budget	<u>\$4,372,947</u>	

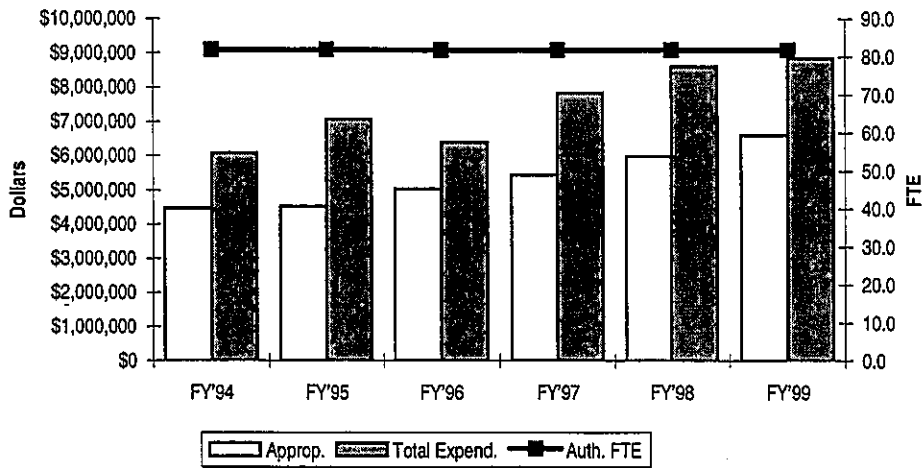


Appropriation Reference:
 HB 3050, Section 14
 SB 903, Section 8

Expenditure Limit Reference:
 SB 903, Sections 9-10

Oklahoma Department of Libraries

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$4,468,727	-12.0%	\$6,084,926	-16.9%	73.0	81.8
FY'95	\$4,521,398	1.2%	\$7,062,494	16.1%	76.9	81.8
FY'96	\$5,041,625	11.5%	\$6,402,845	-9.3%	77.6	81.8
FY'97	\$5,441,625	7.9%	\$7,841,618	22.5%	75.1	81.8
FY'98	\$5,982,193	9.9%	\$8,606,699	9.8%	81.2	81.8
FY'99	\$6,607,487	10.5%	\$8,845,761	2.8%		81.8
6 Year Change	\$2,138,760	47.9%	\$2,760,835	45.4%		
Infl. Adjusted						
6 Year Change	\$1,435,032	32.1%	\$1,818,720	29.9%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	5,982,193	81.8
B. FY'99 Adjustments		
	Total	FTE
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Library Materials and Operations - Funding for data processing, maintenance, updating catalog needs and library materials.	350,600	
2. Statewide Database Licenses - Funding to increase the number of electronic database licenses.	150,000	
3. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	124,694	
Total Adjustments	625,294	0.0
C. FY'98 Appropriation	6,607,487	81.8

III. GOVERNOR'S VETOES

None.

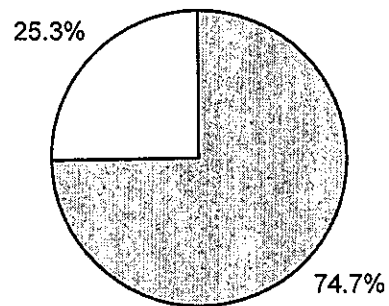
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$6,607,487	█
Federal Funds	\$2,238,274	█
Total FY'99 Budget	\$8,845,761	

FY'99 Budget By Source

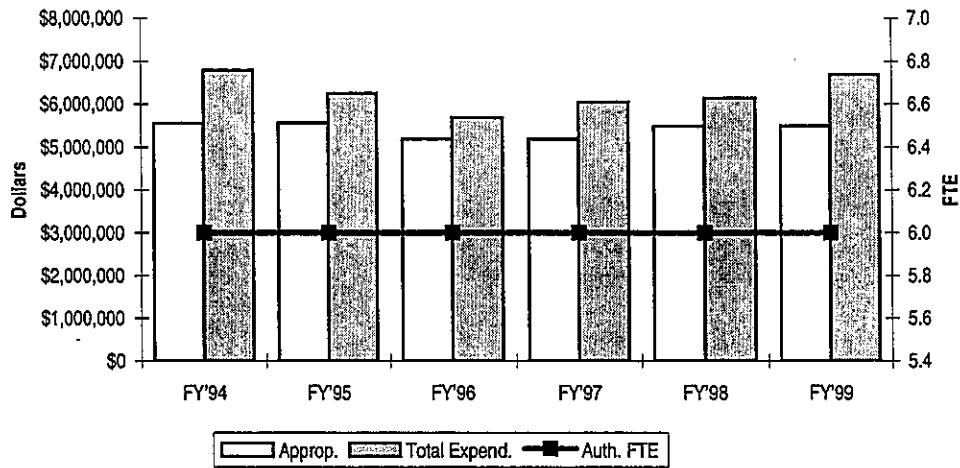


Appropriation Reference:
 HB 3050, Section 15
 SB 920, Section 1

Expenditure Limit Reference:
 SB 920, Section 2
 SB 905, Section 7

Physician Manpower Training Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$5,554,795	-10.0%	\$6,793,329	-1.5%	4.3	6.0
FY'95	\$5,557,661	0.1%	\$6,254,928	-7.9%	5.5	6.0
FY'96	\$5,190,508	-6.6%	\$5,687,100	-9.1%	6.0	6.0
FY'97	\$5,190,508	0.0%	\$6,047,424	6.3%	6.0	6.0
FY'98	\$5,490,245	5.8%	\$6,142,974	1.6%	6.0	6.0
FY'99	\$5,499,743	0.2%	\$6,687,743	8.9%		6.0
6 Year Change	-\$55,052	-1.0%	-\$105,586	-1.6%		
Infl. Adjusted 6 Year Change	-\$640,800	-11.5%	-\$817,862	-12.0%		

† Total of all appropriated, dedicated and revolving fund expenditures for agency operations.
The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	5,490,245	6.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	9,498	
Total Adjustments	<u>9,498</u>	<u>0.0</u>
C. FY'98 Appropriation	<u><u>5,499,743</u></u>	<u><u>6.0</u></u>

III. GOVERNOR'S VETOES

None.

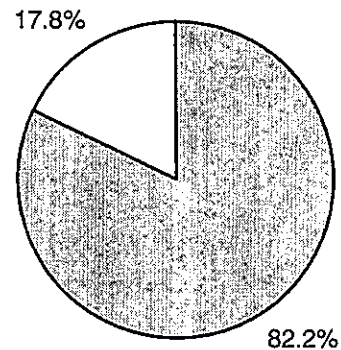
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Revenue Fund	\$5,499,743	█
Revolving Funds	\$1,188,000	█
Total FY'99 Budget	<u>\$6,687,743</u>	

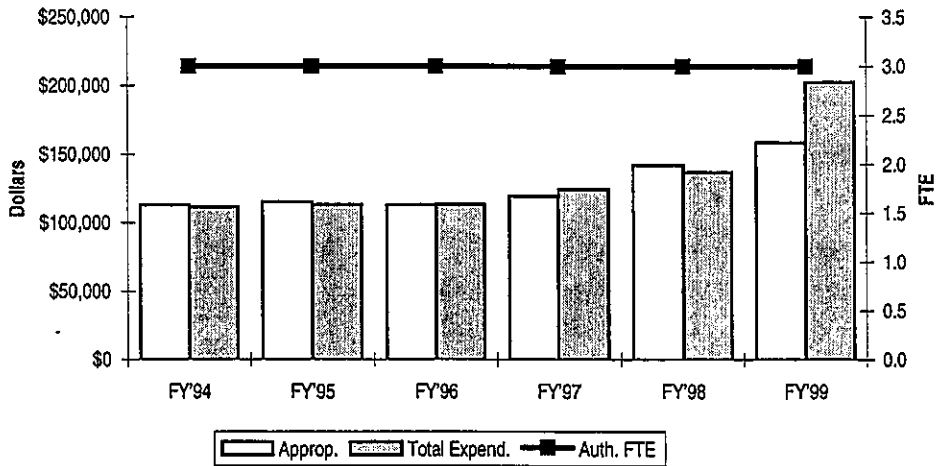


Appropriation Reference:
 HB 3050, Sections 16-17
 HB 3039, Section 2

Expenditure Limit Reference:
 HB 3039, Section 4
 SB 971, Section 29

Board of Private Vocational Schools

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$113,134	-5.0%	\$111,506	1.16%	3.0	3.0
FY'95	\$115,315	1.9%	\$113,454	1.75%	3.0	3.0
FY'96	\$113,226	-1.8%	\$113,684	.20%	3.0	3.0
FY'97	\$119,817	5.8%	\$124,817	9.79%	3.0	3.0
FY'98	\$142,283	18.8%	\$137,218	9.94%	3.0	3.0
FY'99	\$158,790	11.6%	\$202,790	47.79%		3.0
6 Year Change	\$45,656	40.4%	\$91,284	81.9%		
Infl. Adjusted 6 Year Change	\$28,744	25.4%	\$69,686	62.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.
The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	142,283	3.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. Data Processing Upgrades	-4,000	
<i>Other Appropriation Adjustments</i>		
1. Contract with Attorney General's Office - Funding for 1/4 time of an attorney in the Attorney General's office to pay for all needed legal work.	3,000	
2. Employee Position Upgrade - Employee positions are to be upgraded according to OPM policy so as to be in accordance with other agencies with similar positions.	11,000	
3. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	6,507	
Total Adjustments	16,507	0.0
C. FY'98 Appropriation	158,790	3.0

III. GOVERNOR'S VETOES

None.

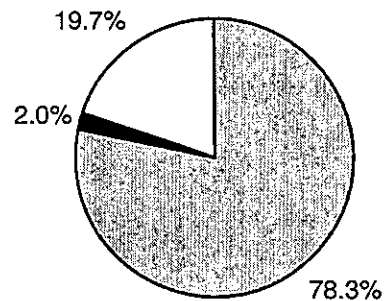
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Revenue Funds	\$158,790	
Carryover	\$4,000	
Revolving Funds	\$40,000	
Total FY'99 Budget	\$202,790	

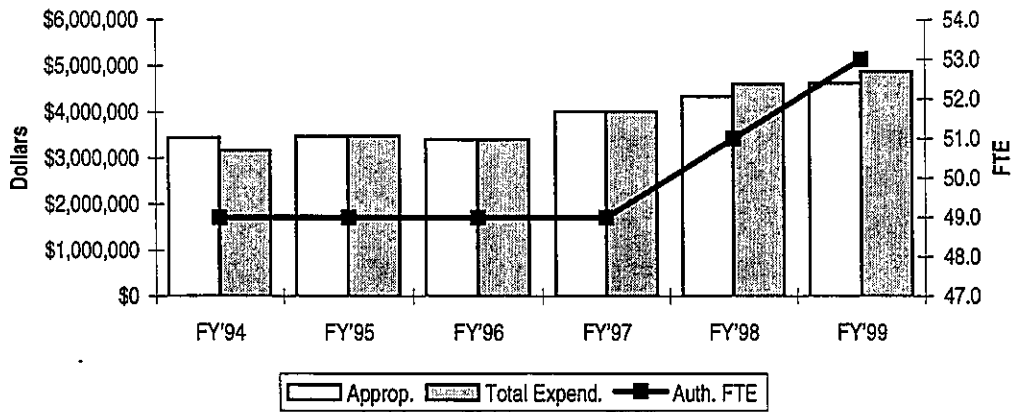


Appropriation Reference:
 HB 3050, Section 18
 SB 934, Section 30

Expenditure Limit Reference:
 SB 934, Sections 32-33

Oklahoma School of Science and Mathematics

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$3,442,330	-11.0%	\$3,165,463	-9.4%	44.4	49.0
FY'95	\$3,473,954	0.9%	\$3,481,454	10.0%	43.5	49.0
FY'96	\$3,406,437	-1.9%	\$3,406,437	-2.2%	44.2	49.0
FY'97	\$4,010,557	17.7%	\$4,010,557	17.7%	44.9	49.0
FY'98	\$4,339,053	8.2%	\$4,616,578	15.1%	46.1	51.0
FY'99	\$4,628,895	6.7%	\$4,880,383	5.7%		53.0
6 Year Change--	\$1,186,565	-65.5%	\$1,714,920	-45.8%		
Infl. Adjusted						
6 Year Change	\$693,566	-79.9%	\$1,195,137	-62.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

Construction of a dormitory, cafeteria and academic buildings will begin in fall of 1996. Completion will be scheduled for January, 1998.

In FY'97 SB 1 authorized the School for Science and Mathematics to establish two pilot programs that teach advanced science and math courses to students in rural settings.

In FY'98, Central Vo-tech at Drumright became the first OSSM satellite program. By the beginning of the 1998-99 school year, a second satellite program became operational in Lawton at the Great Plains Vo-tech.

For FY'99 the Legislature authorized the funding of additional satellite programs to become operational by the 1999-00 school year.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	4,339,053	51.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Campus Growth - Maintenance costs for the new buildings and grounds.	178,500	
2. Fixed Cost Increases - Funding for increases in employee benefits and auditing requirements by the State Auditor and Inspector.	31,438	
3. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	79,904	
4. OSSM Satellite Program - Increase in FTE for additional satellite locations (See Other Issues)	0	2.0
Total Adjustments	<u>289,842</u>	<u>2.0</u>

C. FY'98 Appropriation	<u><u>4,628,895</u></u>	<u><u>53.0</u></u>
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III. GOVERNOR'S VETOES

None.

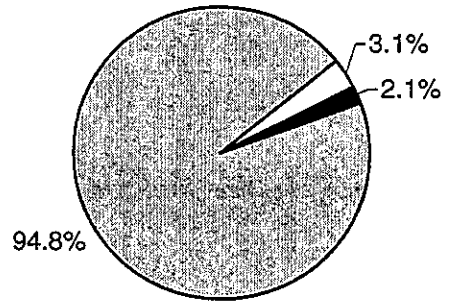
IV. OTHER ISSUES

The Legislature authorized the reappropriation of \$150,000 for additional satellite programs. The satellite programs are located in area vo-tech schools and serve the surrounding school districts. There are two satellite programs currently in operation (Drumright and Lawton).

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Appropriations	\$4,628,895
Reappropriated Funds	\$150,000
Revolving Funds	\$101,488
Total Funds	\$4,880,383

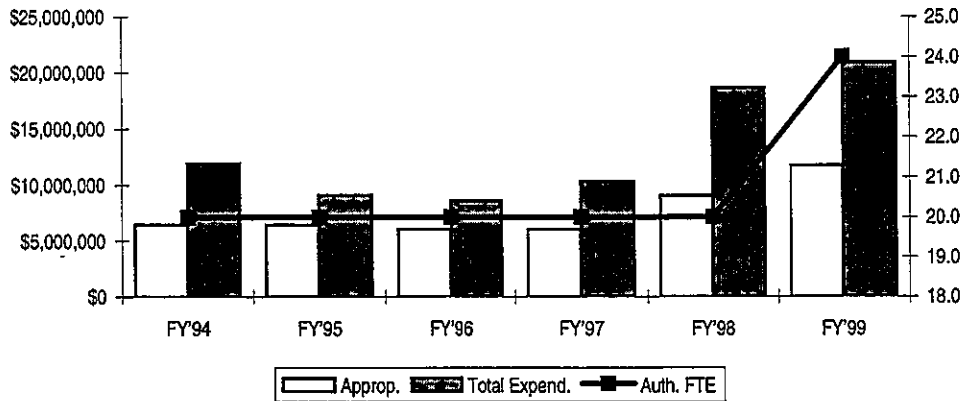


Appropriation Reference:
HB 3050, Section 19
SB 903, Section 1

Expenditure Limit Reference:
SB 903, Section 3
SB 971, Section 27

Oklahoma Center for the Advancement of Science & Technology

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$6,440,434	-11.9%	\$11,939,234	-14.6%	16.3	20.0
FY'95	\$6,451,950	0.2%	\$9,101,149	-23.8%	17.0	20.0
FY'96	\$6,050,851	-6.2%	\$8,580,078	-5.7%	15.7	20.0
FY'97	\$6,050,851	0.0%	\$10,333,038	20.4%	16.9	20.0
FY'98	\$9,059,272	49.7%	\$18,684,723	80.8%	18.4	20.0
FY'99	\$11,748,532	29.7%	\$20,918,260	12.0%		24.0
6 Year Change	\$5,308,098	82.4%	\$8,979,026	75.2%		
Infl. Adjusted						
6 Year Change	\$4,056,825	63.0%	\$6,751,134	56.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.
The FY'99 figure is an estimate of anticipated expenditures.

Beginning in FY'93 monies have been provided to assist OCAST with the development of the Oklahoma Alliance for Manufacturing Excellence. The Alliance, a private non-profit organization, coordinates the services of the Oklahoma Industrial Extension System. In FY'94 OCAST received a federal matching grant for \$2.7 million to fully implement the system.

Until FY'96, all board expenses, staff payroll costs and most of this agencies general overhead were budgeted as general administration. With the adoption of the program budgeting method, these costs are now allocated to the programs where the activities occur.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	9,059,272	20.0

	<u>Total</u>	<u>FTE</u>
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Technology Access and Commercialization - Allows the Technology Commercialization Center to become operational statewide and provides FTE for managing technology access.	1,786,694	2.0
2. Applied Research Awards - Expands the number of research awards given and provides for a program manager.	713,306	1.0
3. Inventors Program - Program transferred from the Department of Commerce.	158,000	1.0
4. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	31,260	
Total Adjustments	<u>2,689,260</u>	<u>4.0</u>

C. FY'98 Appropriation	<u><u>11,748,532</u></u>	<u><u>24.0</u></u>
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III. GOVERNOR'S VETOES



None.

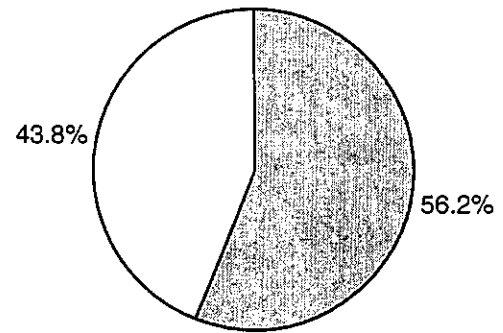
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Revenue Funds	\$11,748,532	
Revolving Funds	\$9,169,728	
Total FY'99 Budget	<u>\$20,918,260</u>	

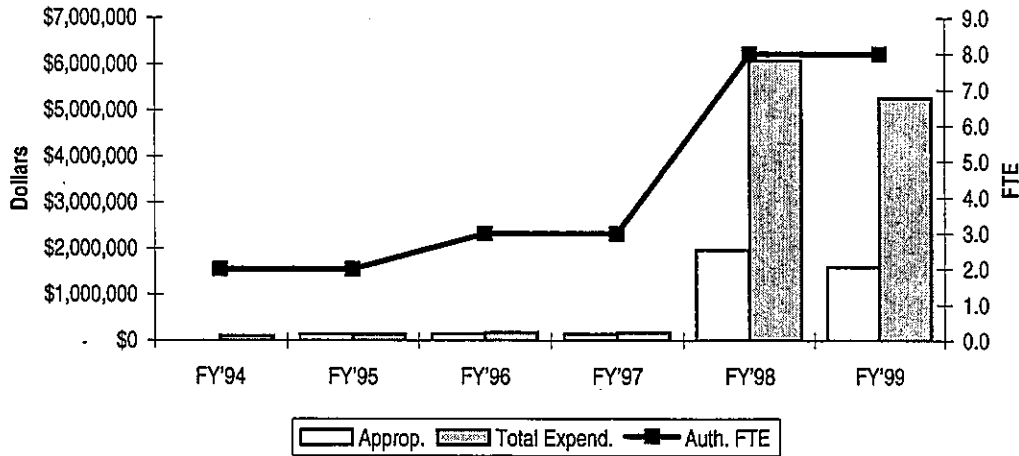


Appropriation Reference:
HB 3050, Section 20
HB 3010, Section 38

Expenditure Limit Reference:
HB 3010, Section 39

Teacher Preparation Commission

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$0 *		\$98,392	N/A	2.0	2.0
FY'95	\$150,000	N/A	\$140,534	42.8%	2.0	2.0
FY'96	\$146,715	-2.2%	\$183,328	30.5%	2.0	3.0
FY'97	\$146,715	0.0%	\$177,881	-3.0%	2.0	3.0
FY'98	\$1,969,114	1242.1%	\$6,082,756	3319.6%	8.0	8.0
FY'99	\$1,602,743	-18.6%	\$5,270,701	-13.4%		8.0

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Operational funding was provided by a \$150,000 federal block grant administered through the Department of Commerce.

In FY'98 the Commissions duties were expanded to include the operation of Professional Development Institutes for the training of teachers.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	1,969,114	8.0

	<u>Total</u>	<u>FTE</u>
B. FY'99 Adjustments		
General Appropriations Bill Funding Adjustments		
1. Competency-Based Teacher Assessments	-438,867	
Other Appropriation Adjustments		
1. Teacher Education Programs - Increased costs by accreditation review teams.	20,441	
2. Professional Development Institutes - Funding for outside evaluations, travel expenses, and increases in communications equipment, mailings, etc.	17,653	
3. Administration Increases - Increases in office rental, postage, printing, etc.	23,866	
4. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	10,536	
Total Adjustments	<u>-366,371</u>	<u>0.0</u>

C. FY'98 Appropriation	<u><u>1,602,743</u></u>	<u><u>8.0</u></u>
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III. GOVERNOR'S VETOES

None.

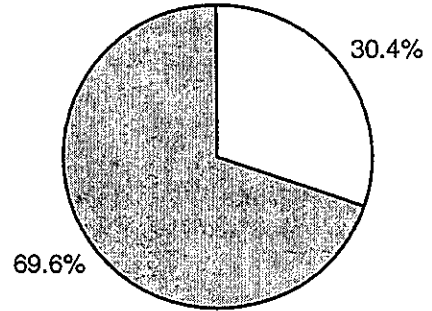
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Revenue Funds	\$1,602,743	□
Revolving Funds	\$3,667,958	▨
Total FY'99 Budget	<u>\$5,270,701</u>	

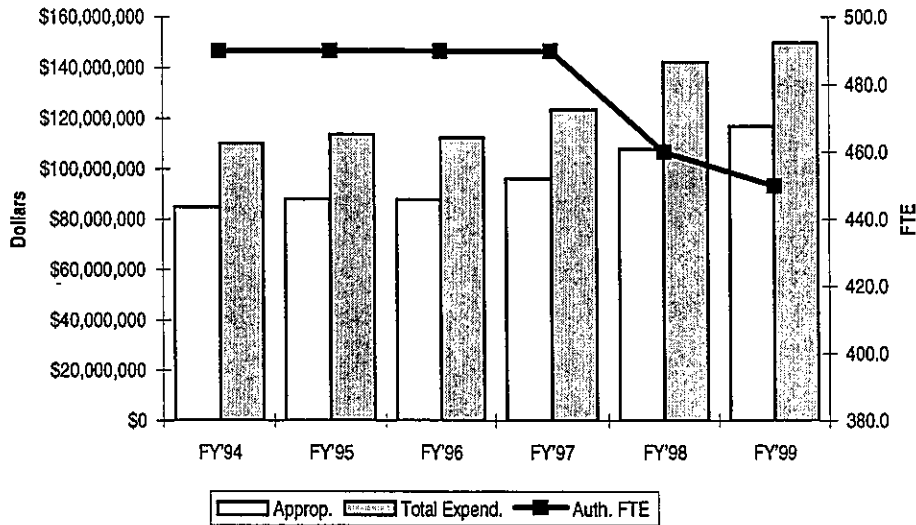


Appropriation Reference:
HB 3050, Sections 21-22
SB 903, Section 5

Expenditure Limit Reference:
SB 903, Sections 6-7

State Board of Vocational and Technical Education

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$84,873,925 *	-5.0%	\$110,130,644	-3.1%	461.5	490.0
FY'95	\$87,988,105	3.7%	\$113,639,091	3.2%	433.2	490.0
FY'96	\$87,760,898	-0.3%	\$112,415,010	-1.1%	417.9	490.0
FY'97	\$96,177,115	9.6%	\$123,421,111	9.8%	410.4	490.0
FY'98	\$107,875,417	12.2%	\$142,223,768	15.2%	417.0	460.0
FY'99	\$116,939,996 #	8.4%	\$149,915,060	5.4%		450.0
6 Year Change	\$32,066,071	37.8%	\$39,784,416	36.1%		
Infl. Adjusted						
6 Year Change	\$19,611,418	23.1%	\$23,817,766	21.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Includes \$2,102,530 appropriated from the Constitutional Reserve Fund and \$1,500,000 designated as one-time funding to assist in the reduction to local schools.

Includes \$5 million appropriated from the Constitutional Reserve Fund.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	107,875,417	460.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. Ad Valorem Protest Funds	-724,581	
2. Capital Funds for Area Vo-tech Schools	-2,300,419	
Other Appropriation Adjustments		
1. Customized Training for Industry (Rainy Day Fund) - Funding to meet needs of new or expanding industries for employee training.	5,000,000	
2. AVTS Salary Increase - Funding to meet the changes made in the Teachers Minimum Salary Schedule. Every step from 1 to 25+ experiences a \$332 increase.	853,732	
3. OTRS Retirement Credit - Funding to ensure the proper payment of the Retirement Credit due to changes in the Teachers Minimum Salary Schedule.	135,060	
4. Certified Employee Benefit Allowance - Funding was provided for certified personnel, excluding district superintendents, to create a benefit allowance that can be used toward health insurance premiums or as taxable compensation. The allowance equals 1/3 of the health insurance premium (\$57.00 per month).	1,423,431	
5. Support Staff Benefit Allowance - Funding was provided for support staff to create a benefit allowance that can be used toward paying health care premiums or as taxable compensation. The allowance equals 1/2 of the health insurance premium (\$85.00 per month).	1,326,618	
6. AVTS Formula Funds - Funding to be distributed to the area vo-tech schools (75% through the Equalization Formula and 25% through the general operations formula.	2,100,000	
7. Gordon Cooper Technology Center - Funding to purchase land for oil well training.	265,000	
8. HOST Volunteer Program - Funding for Metro Tech AVTS to help aid in the student mentoring programs at Oklahoma City Public Schools.	100,000	
9. OSU Okmulgee Technical Training - Funding to be transferred to the Oklahoma State Regents for technical training classes.	100,000	
10. Future Farmers of America Chapter - Increases number of teachers for participation in FFA program in Dickson Public Schools.	15,000	

Adjustments (cont'd.)

11. Rural Business Pilot Programs - Funding for technical assistance and training for expanding rural businesses who have not qualified for the Training in Industry Program (TIP).	75,000	
12. Indian Capital AVTS - Funding for distance learning technology.	100,000	
13. Central Tech AVTS at Stroud - Funding for new computer equipment.	30,000	
14. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	565,738	
15. Authorized FTE Reduction		-10.0
Total Adjustments	9,064,579	-10.0

C. FY'98 Appropriation

116,939,996	450.0
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III. GOVERNOR'S VETOES

None.

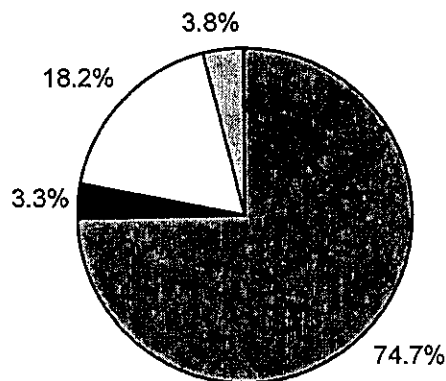
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$111,939,996	
Rainy Day Fund Appropriations	\$5,000,000	
Federal Funds	\$27,261,665	
Revolving Funds	\$5,713,399	
Total Funds	\$149,915,060	

FY'99 Budget by Source



Appropriation Reference:

- HB 3050, Section 23
- SB 903, Sections 11-13
- HB 3065, Sections 2-3
- SB 965, Section 6
- SB 971, Section 3

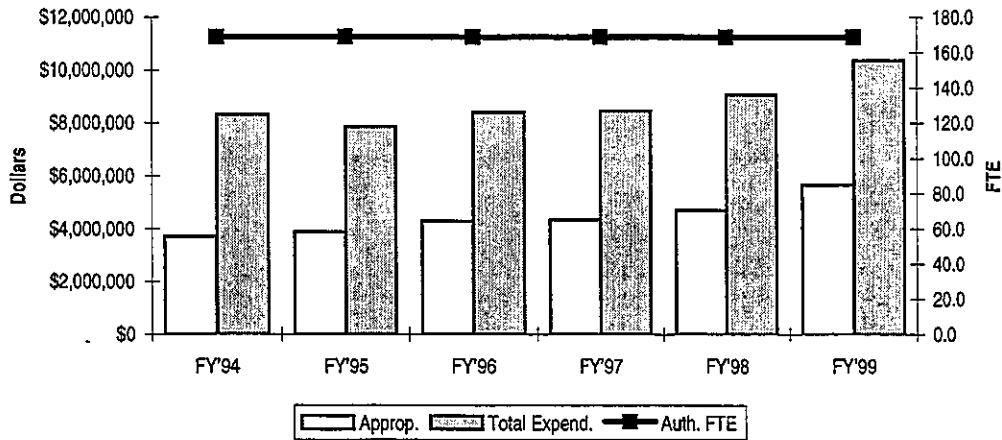
Expenditure Limit Reference:

- SB 903, Section 19
- SB 905, Section 8

**SUBCOMMITTEE ON GENERAL GOVERNMENT
AND TRANSPORTATION**

Auditor and Inspector

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$3,718,931	-8.6%	\$8,326,536	-49.7%	149.6	169.0
FY'95	\$3,886,060	4.5%	\$7,864,798	-5.5%	158.1	169.0
FY'96	\$4,296,576	10.6%	\$8,414,113	7.0%	164.5	169.0
FY'97	\$4,362,810 #	1.5%	\$8,464,780	0.6%	159.1	169.0
FY'98	\$4,722,559	8.2%	\$9,084,943	7.3%	161.5	169.0
FY'99	\$5,685,449	20.4%	\$10,385,449	14.3%		169.0
6 Year Change	\$1,966,518	52.9%	\$2,058,913	24.7%		
Infl. Adjusted						
6 Year Change	\$1,360,991	36.6%	\$952,814	11.4%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

Includes \$266,234 appropriated supplementally (HB 1883, Section 3) to restore vetoed payroll funding.

In FY'94, appropriations were cut 10% or \$402,104, resulting in elimination of 20 vacant positions. In mid-year, a supplemental appropriation restored \$100,000 to the agency's base. Also for FY'94, Ad Valorem Task Force funding was transferred to the Tax Commission, reducing the Auditor's spending.

In FY'95, the Assessor Accreditation Program was transferred to the Auditor's office from the Tax Commission, increasing appropriations by \$137,700. Also, \$25,000 was appropriated and \$125,000 reappropriated for one-time equipment purchases.

In FY'96, \$193,294 or 4.9% was cut in the GA bill due to statewide budget reallocations, \$94,000 was added to restore half the GA bill cut, and \$300,000 was added to replace declining revolving funds. \$80,000 was reappropriated for equipment. A \$200,000 supplemental appropriation was provided for operations costs.

In FY'97, the governor vetoed a \$631,234 appropriation for the agency, most of which would have replaced declining revolving revenues and covered costs of the statewide pay and OPERS increases. To avoid a shortfall, the agency was forced to maintain a higher vacancy rate during FY'97 and a \$266,000 supplemental appropriation was made during the 1997 session. Also, the office began administering a \$5 million component of the \$17 million Rural Economic Assistance Program (REAP).

In FY'98, added were \$200,000 to replace declining revolving funds and \$80,000 for computers.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	4,722,559	169.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	358,890	
2. Local Government Technology - Pass-through funding was provided for the Center for Local Government Technology/OSU for two programs: 1) training for local school boards/school officials on state law, purchasing, finance, open meetings, etc., and 2) conducting rural economic development training for county officials, city officials, and Chambers of Commerce.	126,000	
3. Circuit Engineering Districts - HB 3275 requires the State Auditor's office to coordinate a new program designed to help county road-building programs. The program would allow counties to pool resources to pay for technical assistance in road building. Funding was provided for start-up cost of the program, which would be entirely fee-funded by FY'01.	228,000	
4. Federal programs audits and REAP Administration - The federal government has enacted changes in audit requirements of state agencies that receive federal funds. The changes are expected to increase audit costs incurred by the Auditor and Inspector by 25%. The agency has administered the REAP funds, but is prohibited, by statute, from using any of the REAP monies for administration expenses.	250,000	
Total Adjustments	<u>962,890</u>	<u>0</u>
C. FY'99 Appropriation	<u><u>5,685,449</u></u>	<u><u>169.0</u></u>

III. GOVERNOR'S VETOES



None.

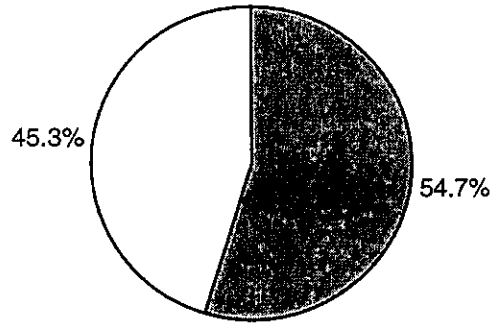
IV. OTHER ISSUES

Funding for the portion of the Rural Economic Assistance Program (REAP) which is administered by the Auditor and Inspector's Office was increased by \$3 million to \$15.5 million for FY'99. HB 3050, Section 27, appropriates \$12.5 million to REAP; HB 3017, Section 6, appropriates \$3 million.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$5,685,449	
Revolving Funds	\$4,700,000	
Total FY'99 Budget	<u>\$10,385,449</u>	

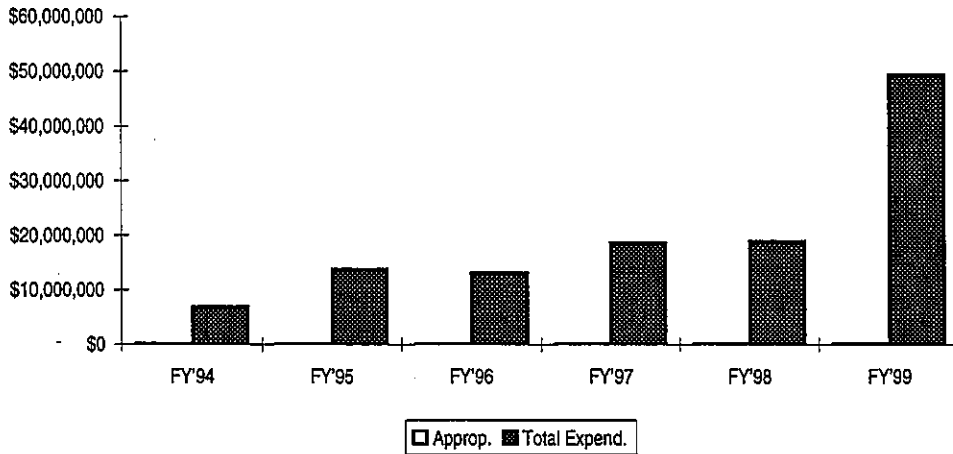


Appropriation Reference:
HB 3050, Sections 24-27
HB 3017, Sections 1-3 and 6
HB 3065, Section 4

Expenditure Limit Reference:
HB 3017, Sections 5-6

Oklahoma Capitol Improvement Authority

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$178,867	-21.8%	\$6,942,136	-3.6%	N/A	N/A
FY'95	\$143,867	-19.6%	\$13,897,007	100.2%	N/A	N/A
FY'96	\$143,867	0.0%	\$13,172,746	-5.2%	N/A	N/A
FY'97	\$143,867	0.0%	\$18,731,660	42.2%	N/A	N/A
FY'98	\$143,867	0.0%	\$18,938,389	1.1%	N/A	N/A
FY'99	\$143,867	0.0%	\$49,477,031	161.3%		N/A
6 Year Change	-\$35,000	-19.6%	\$42,534,895	612.7%		
Infl. Adjusted 6 Year Change	-\$50,323	-28.1%	\$37,265,361	536.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

Appropriations have been reduced steadily since FY'91 as rent income has increased from the Kerr State Office Building in Tulsa. As of FY'95, appropriations to OCIA to subsidize the Tulsa building were eliminated.

The authority's total budget has increased as it issues more bonds for state facilities. State agencies pay rent to OCIA for use of bonded facilities. OCIA uses the revenue to retire the bonds.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	143,867	N/A
B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
None.		
Total Adjustments	<u>0</u>	<u>0</u>
C. FY'99 Appropriation	<u>143,867</u>	<u>N/A</u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

A. HB 3066 (amended by 3065, Section 19) authorizes OCIA to issue \$315 million in bonds for construction projects throughout the state. The bill lists 15 specific projects worth \$158.1 million and states intent that the 1999 Legislature will specify the remaining \$156.9 million in projects. The legislature will appropriate funds to various agencies sponsoring the capital projects. The agencies will make rent payments to OCIA for retiring the bonds.

The 15 construction projects include:

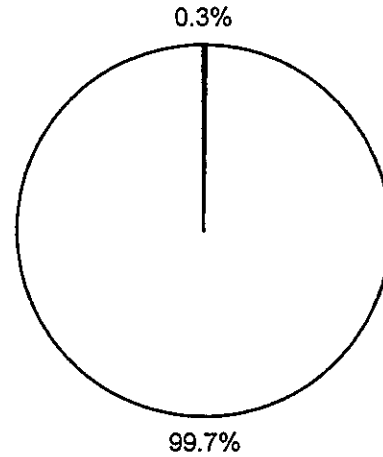
State System for Higher Education	\$45,000,000
History Center (Oklahoma Historical Society)	\$32,000,000
Wiley Post Historical Building Renovation (State Supreme Court)	\$10,000,000
Lincoln Boulevard Renaissance Project (Department of Central Services)	\$13,800,000
J.D. McCarty Center	\$10,300,000
Technology Incubator Program (University Hospitals)	\$2,000,000
Native American Cultural and Educational Authority	\$5,000,000
Vocational and Technical Education	\$5,000,000
Oklahoma School for the Deaf	\$6,750,000
Oklahoma School for the Blind	\$6,750,000
Veterans Center in Lawton	\$12,000,000
Financial Management Information Systems (Office of State Finance)	\$1,000,000
Central Purchasing Computer System (Department of Central Services)	\$2,000,000
Boll Weevil Eradication (Department of Agriculture)	\$3,000,000
Quartz Mountain Lodge (Department of Tourism and Recreation)	\$3,500,000

B. OCIA in FY'99 is anticipated to issue \$300 million in highway construction bonds under HB 1629, the 1997 highway improvement act. Although the bond issue was authorized after July 1, 1997, court challenges had delayed issuance.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$143,867	■
Revolving Funds	\$49,333,164	□
Total FY'99 Budget	<u>\$49,477,031</u>	

FY'99 Budget by Source

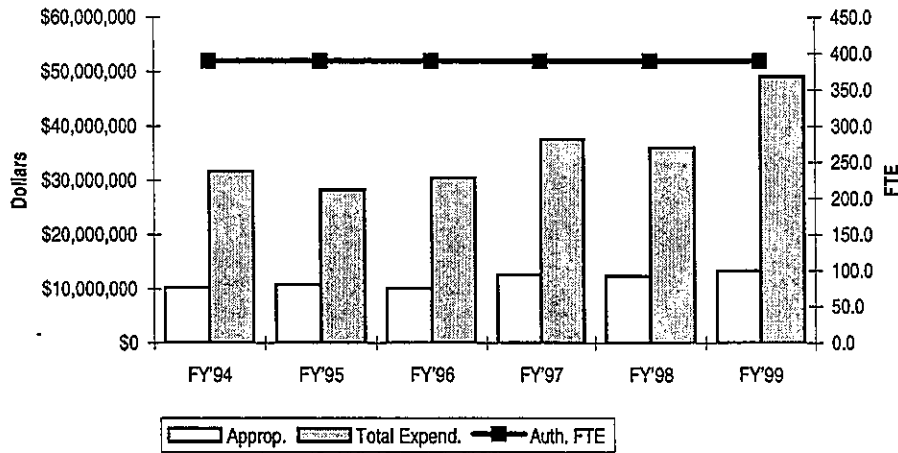


Appropriation Reference:
HB 3050, Section 34

Expenditure Limit Reference:
N/A

Department of Central Services

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$10,238,518	-10.5%	\$31,709,344	-9.0%	344.1	390.0
FY'95	\$10,820,072	5.7%	\$28,287,211	-10.8%	323.0	390.0
FY'96	\$10,116,860	-6.5%	\$30,530,008	7.9%	294.3	390.0
FY'97	\$12,641,377	25.0%	\$37,601,262	23.2%	295.2	390.0
FY'98	\$12,374,236	-2.1%	\$36,069,987 *	-4.1%	283.6	390.0
FY'99	\$13,401,583	8.3%	\$49,154,684 ^	36.3%		390.0
6 Year Change	\$3,163,065	30.9%	\$17,445,340	55.0%		
Infl. Adjusted						
6 Year Change	\$1,735,734	17.0%	\$12,210,138	38.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* This number includes \$175,000 appropriated during 1998 Session for reimbursement for Governor's Mansion gate and tuck pointing which was conducted during FY'98.

^ This number includes \$60,000 and \$150,000 of appropriated funds that have not yet been budgeted by the agency but will be during FY'99.

In FY'94 the agency's appropriation was cut 10% or \$1.1 million due to the statewide budget reallocations. The cut resulted in agency restructuring, a RIF of 33 positions, and reduction of services. FTE limits were reduced by 59.0 vacancies.

In FY'95, the agency's base appropriation was increased \$200,000 for maintenance costs of the Hissom Memorial Center and \$5,500 to replace declining fees. Also, \$224,376 was provided for one-time improvements at the state capitol.

In FY'96, \$259,407 or 2.5% was cut due to statewide budget reallocations, and \$270,000 was removed due to transfer of the Basic Health Benefits Board to the Oklahoma Health Care Authority.

In FY'97, \$400,000 was added to maintain funding for the asbestos division, \$1.7 million was provided to retire debt on bond-financed renovations to state office buildings (SB 538, 1995), and \$25,000 was provided for Capitol Centennial Commission activities (SB 823, 1996). Also, \$100,000 in reappropriations were made to improve the Central Purchasing System.

In FY'98, the DCS budget was reduced by \$422,741 due to annualizing debt service payments, and \$40,000 was added for operations of the Native American Flag Plaza.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	12,374,236	390.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.	0	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	346,764	
2. Rental Payments - DCS is scheduled to move in August from the Capitol, where it pays no rent, to the Rogers Bldg, where it must pay rent to support building operations.	295,583	
3. Governor's Mansion Renovation - Rainy Day funds were appropriated for improvements to the guard facility at the Governor's Mansion, which is maintained by DCS.	175,000	
4. Purchasing Reforms - Funds were provided to hire 3.0 FTE post-audit staff to check other state agencies' compliance with purchasing laws.	150,000	
5. Centennial Commission - Funds were provided for the appointment of an executive director for the Oklahoma Capitol Complex and Centennial Commemoration Commission.	60,000	
Total Adjustments	<u>1,027,347</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>13,401,583</u></u>	<u><u>390.0</u></u>






III. GOVERNOR'S VETOES

None.

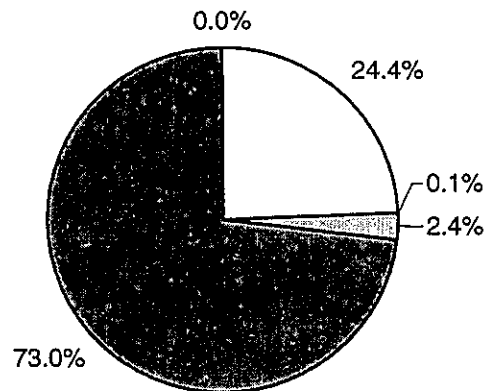
IV. OTHER ISSUES

- A. HB 3060, Section 2, transfers \$50,000 from the DCS Oklahoma Print Shop Revolving Fund to the Special Cash Fund.
- B. HB 3060, Section 3, transfers \$150,000 from the DCS Asbestos Abatement Revolving Fund to the Special Cash Fund.
- C. HB 1822 enacts several major reforms of state purchasing procedures, which are administered by the DCS Central Purchasing Division.
- D. HB 3066, Section 1, allocates \$2 million of an OCIA bond issue for the purchase of computer hardware and software for the Central Purchasing Division.
- E. A total of \$17.4 million was appropriated to DCS for transfer to the Capital Improvement Revolving Fund, which was created to address capital needs at state facilities. HB 3050, Section 33, appropriates \$10,358,320 to the fund, and HB 3066, Section 4, appropriates \$7 million.

V. FUNDING SOURCES - FY'99 BUDGET

FY'98 GR (as of 10/98)	\$23,108	
FY'99 General Fund Appropriations	\$11,972,480	
Special Cash	\$60,000	
Public Building Fund	\$1,194,103	
Revolving Funds	\$35,904,993	
Total FY'99 Budget	\$49,154,684	

FY'99 Budget by Source

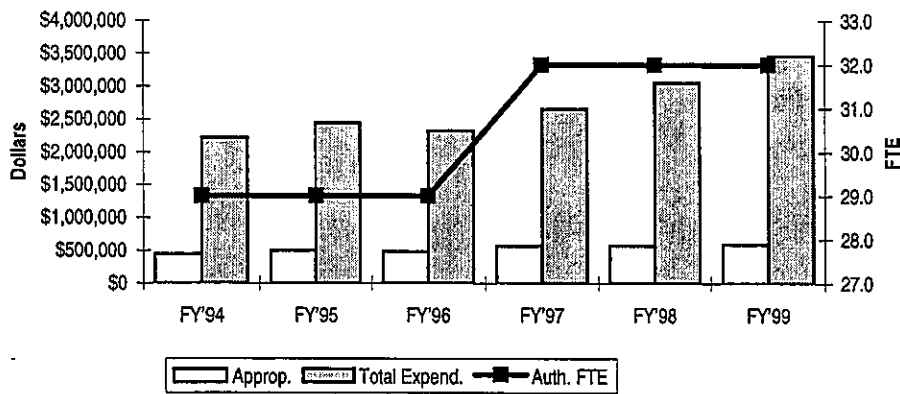


Appropriation Reference:
 HB 3050, Sections 28-33
 HB 3045, Section 1
 SB 965, Section 26
 SB 971, Section 10

Expenditure Limit Reference:
 HB 3045, Sections 2-7

Civil Emergency Management Administration

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$446,717	-6.1%	\$2,217,097	5.5%	26.5	29.0
FY'95	\$496,329	11.1%	\$2,445,867	10.3%	26.6	29.0
FY'96	\$485,063	-2.3%	\$2,333,232	-4.6%	26.2	29.0
FY'97	\$572,240	18.0%	\$2,661,581	14.1%	29.4	32.0
FY'98	\$578,037	1.0%	\$3,059,554	15.0%	27.0	32.0
FY'99	\$595,969	3.1%	\$3,467,215	13.3%		32.0
6 Year Change--	\$149,252	33.4%	\$1,250,118	56.4%		
Infl. Adjusted						
6 Year Change	\$85,779	19.2%	\$880,843	39.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'98 figure is an estimate of anticipated expenditures.

<i>Disaster Funding (state match plus federal) provided to individuals and local governments</i>					
FY'93	\$4,780,109	FY'95	\$6,635,261	FY'97	\$3,376,195
FY'94	\$12,364,212	FY'96	\$14,375,246	FY'98	\$2,423,974

In FY'94, appropriations for operations were cut by \$29,080 due to statewide budget reallocations.

In FY'95, \$18,985 was added to match a federal grant and \$23,900 was added for a phone upgrade.

In FY'96, \$11,867 or 2.5% was cut in the GA bill due to statewide budget reallocations. Later, \$15,994 was added to restore a position left vacant since FY'93, and \$6,265 was added to match a federal grant.

In FY'97, the Office of Volunteerism and 1.0 FTE were transferred from the Secretary of State's office to CEM, along with \$50,000 in base budget and \$82,000 in accumulated carryover. Also, \$15,916 and 1.0 FTE were added to create a fourth Emergency Management Area Coordinator position; \$8,985 and 1.0 FTE were added to create an Individual Assistance Officer slot; and \$12,276 was added for state employee pay and OPERS costs.

In FY'98, \$60,000 in volunteerism carryover was reappropriated to other agencies.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	578,037	32.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.	0	
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	17,932	
Total Adjustments	<u>17,932</u>	<u>0.0</u>
C. FY'99 Appropriation		
	<u><u>595,969</u></u>	<u><u>32.0</u></u>

III. GOVERNOR'S VETOES

None.

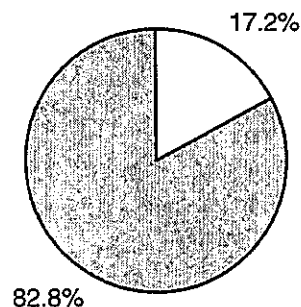
IV. OTHER ISSUES

A. SB 971, Section 74, amends FY'98 budget limits for DCEM.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$595,969	□
Federal Funds	\$2,871,246	□
Total FY'99 Budget	<u>\$3,467,215</u>	

FY'99 Budget by Source

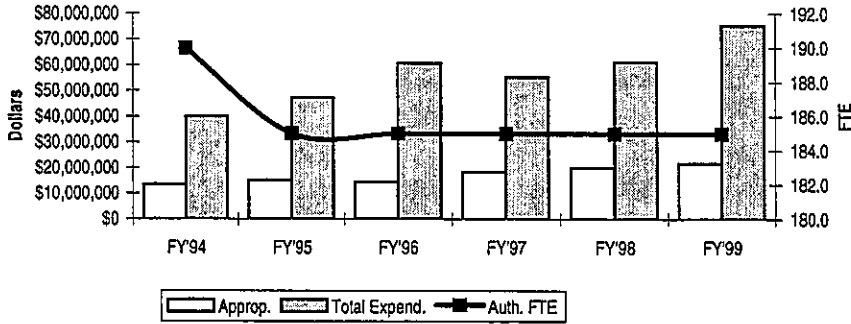


Appropriation Reference:
 HB 3050, Section 35
 HB 3013, Section 4

Expenditure Limit Reference:
 HB 3013, Sections 5-6
 SB 971, Section 74 (amends FY'98 limits)

Department of Commerce

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$13,473,457	-7.1%	\$40,064,450	13.8%	171.4	190.0
FY'95	\$15,122,203	12.2%	\$47,311,565	18.1%	175.0	185.0
FY'96	\$14,450,472	-4.4%	\$60,775,650	28.5%	172.3	185.0
FY'97	\$18,408,600	27.4%	\$55,364,976	-8.9%	165.1	185.0
FY'98	\$20,070,376	9.0%	\$61,240,098	10.6%	163.7	185.0
FY'99	\$21,830,694	8.8%	\$75,463,462 ^	23.2%		185.0
6 Year Change	\$8,357,237	62.0%	\$35,399,012	88.4%		
Infl. Adjusted						
6 Year Change	\$6,032,167	44.8%	\$27,361,803	68.3%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures. Historically, current year estimates of total spending are inflated by \$10-\$30 million due to optimistic projections of federal grant spending.

^ This number includes \$1 M for the Housing Trust Fund which is passed through to the Oklahoma Housing Finance Authority.

Between FY'92 and '98, the legislature changed the ODOC's base appropriation by the following:

	Amounts	Fiscal Year(s)
• State Funding of Headstart Programs	\$3,329,914	(92,93,94,95,97,98)
• Cuts due to statewide budget reallocation	-\$1,827,352	(94,96,97)
• International Trade initiatives	\$560,948	(92,97,98)
• Transfers of programs to other agencies	-\$354,210	(93,94)
• Quality Jobs Advertising	\$380,000	(95,97)
• Local Services Offices	\$345,000	(97)
• Manufacturer's Alliance	\$250,000	(94)
• Native American Cultural Center	\$500,000	(97,98)
• Main Street Program	\$240,000	(92,93,97)
• Dual Use Training Center	\$262,976	(97,98)
• Product Development Act	\$200,000	(93)
• Bid Assistance Center, OSU-CATT	\$160,000	(97)
• Sr. Citizen Community programs	\$205,000	(93,98)
• Small Business Development Centers	\$150,000	(93)
• Community Action Programs	\$140,086	(94)
• Self-Employ. Entrepreneurial Dev. (SEEDS)	\$300,000	(92,93,98)
• REI Inc. Microloan program	\$235,000	(97,98)
• Other Programs	\$338,000	(92,93,95,97)

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	20,070,376	185.0
B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. Funding for one-time projects was removed from the agency's base budget.	-1,761,395	
Other Appropriation Adjustments		
1. Head Start - State support for statewide Head Start programs was increased by 7.6%.	250,000	
2. Economic and Community Development - Funds were provided to various substate planning districts and other entities for improving economic and community development, transportation services and quality of life.	1,498,120	
3. Housing Trust Fund - An appropriation was made to the Oklahoma Housing Trust Fund administered by the Oklahoma Housing Finance Agency. SB 786 expresses legislative finding that the lack of affordable housing in rural communities is an impediment to economic development. The bill also expanded state housing policy to address housing needs of moderate-income as well as low-income families.	1,000,000	
4. International Trade - Funds were provided to contract for technical assistance in international trade activities.	50,000	
5. Pass-through grant to Rural Enterprises Inc. for international trade development activities (\$80,000) and to provide matching funds for the federal Small Business Administration (SBA) loan program (\$150,000).	230,000	
6. Small Business Development Centers - A funding increase was provided for the SBDC program at Southeast Oklahoma State University.	100,000	
7. Master Business Licensing - SB 667, the Oklahoma Master Business License System Act, requires the agency to create a Business License Information Office. Funding was provided to hire 3.5 FTE. The legislation is designed to provide a one-stop system to help businesses secure necessary licenses from various state agencies.	275,000	
8. Transfer of HOME Program - Funds were provided to replace indirect administrative monies associated with the federal Home Investment Partnership Program that was transferred to the Oklahoma Housing Finance Agency.	118,593	
Total Adjustments	1,760,318	0.0
C. FY'99 Appropriation	21,830,694	185.0

III. GOVERNOR'S VETOES





A. The Governor vetoed Section 1 of HB 3010, which contained a \$2.3 million appropriation for the following adjustments:

1. Economic and community development projects	2,575,373
2. State employee pay and benefits increases	280,500
3. Quality Awards Foundation	25,000
4. Budget reduction	-454,408
5. Inventor Assistance Program transfer	<u>-157,000</u>
 Total	 2,269,465

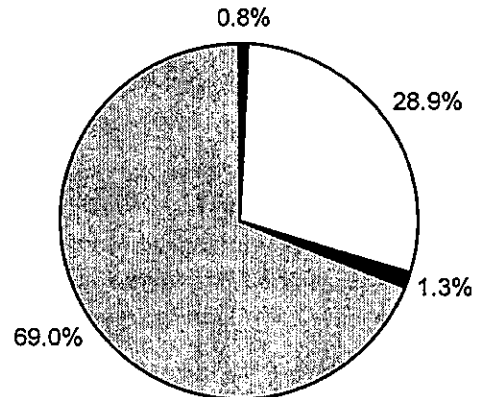
IV. OTHER ISSUES

- A. Sections 52 and 53 of SB 271 direct that appropriations to the Native American Cultural and Education Authority Fund shall be \$500,000 for FY'99, the same amount as FY'98.
- B. Section 37 of HB 3010, as amended by Section 34 of SB 971, authorizes expanded uses of appropriations made in FY'98 to Big Five Community Services, Inc.
- C. HB 3066, Section 1, allocates \$5 million of a FY'99 OCIA bond issue for capital costs of the Native American Cultural and Education Authority of Oklahoma. The authority is assisted by DOC.
- D. SB 969, Section 4, directs the transfer of \$217,500 of the agency's FY'98 appropriation to the Special Cash Fund. That is half of the amount of funds the agency predicted it would carry forward into FY'99.

V. FUNDING SOURCES - FY'99 BUDGET

FY'98 Carryover	\$590,295	
FY'99 General Fund Appropriations	\$21,830,694	
Revolving Funds	\$997,107	
Federal Funds	\$52,045,366	
Total FY'99 Budget	<u>\$75,463,462</u>	

FY'99 Budget by Source

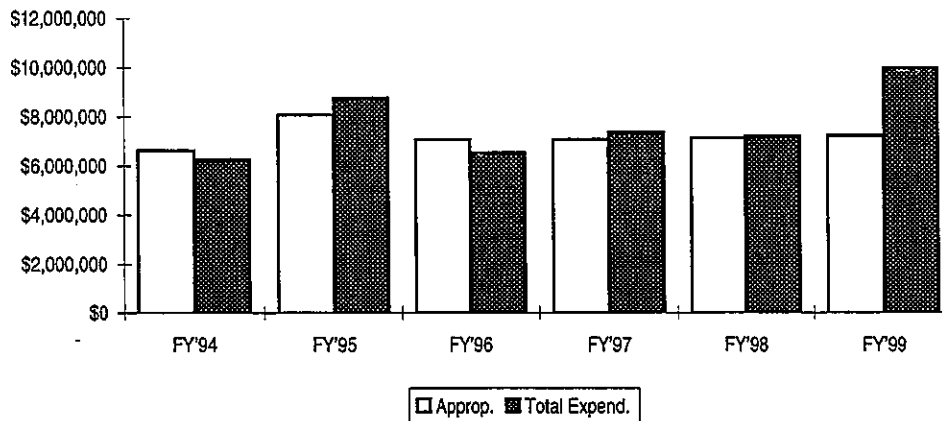


Appropriation Reference:
 HB 3050, Section 90
 HB 3010, Sections 2-6
 HB 3065, Sections 13-16
 SB 971, Sections 9 and 18
 SB 969, Section 4

Expenditure Limit Reference:
 HB 3010, Section 34
 SB 971, Section 35

Election Board

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$6,638,490	-15.1%	\$6,273,937	-14.4%	25.5	N/A
FY'95	\$8,085,021	21.8%	\$8,763,470	39.7%	26.2	N/A
FY'96	\$7,074,657	-12.5%	\$6,551,063	-25.2%	28.8	N/A
FY'97	\$7,074,657	0.0%	\$7,360,715	12.4%	22.9	N/A
FY'98	\$7,136,067	0.9%	\$7,221,050	-1.9%	23.2	N/A
FY'99	\$7,233,451	1.4%	\$9,974,490	38.1%		N/A
6 Year Change	\$594,961	9.0%	\$3,700,553	59.0%		
Infl. Adjusted 6 Year Change	-\$175,435	-2.6%	\$2,638,223	42.1%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations.
The FY'99 figure is an estimate of anticipated expenditures.

Agency expenditures are highest in years when statewide elections occur (odd-numbered fiscal years). Cost of typical statewide elections (primary, run-off and general) is about \$2.4 million. To maintain consistent base appropriations, half the statewide election cost are appropriated each year.

In FY'94 appropriations were cut 10% or \$737,610 due to statewide budget reallocations.

In FY'95 appropriations were increased \$47,950 for OEMS debt service and \$475,000 for expanded duties under SB 770 (1994), which implemented the National Voter Registration Act of 1993.

In FY'96, the agency began more voter registration activities under SB 770 (1994). The governor vetoed an appropriation of \$267,238 for the purpose. \$253,650 was reappropriated from the Election Board to other agencies for a variety of purposes.

In FY'97, the Governor vetoed funding for the following: statewide pay and OPERS (\$148,306); legislated increases (SB 216) in county secretary and precinct worker pay (\$359,858); payments to tag agents for motor voter registrations (\$70,000); and reimbursements to counties for higher benefits costs of county secretaries (\$75,147). Since all programs were mandated, the agency internalized the costs. Also, \$300,000 of the board's carryover was reappropriated to other agencies.

In FY'98, \$10,886 was added for increased lease-purchase costs of the Okla. Election Mgt. System.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	7,136,067	N/A
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage. (See also Other Issues below, part B.)	97,384	
Total Adjustments	<u>97,384</u>	<u>0.0</u>
C. FY'99 Appropriation		
	<u><u>7,233,451</u></u>	<u><u>N/A</u></u>

III. GOVERNOR'S VETOES

None.




IV. OTHER ISSUES

A. HB 3060, Section 4, transfers \$100,000 from the Election Board's Revolving Fund to the Special Cash Fund.

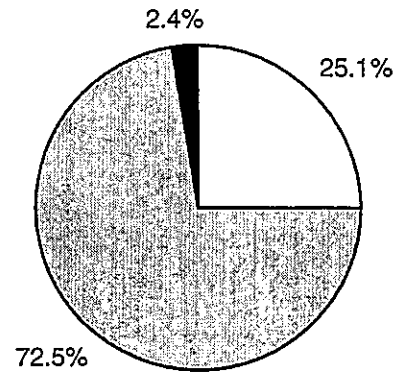
B. HB 2928, Section 1, contains uncodified language that allows county election board secretaries to receive the same pay raise as state employees.

C. HB 3042, Section 2, mistakenly caps the State Election Board Secretary's salary at \$71,957. The cap should be \$69,961.

V. FUNDING SOURCES - FY'99 BUDGET

Prior Year Appropriations	\$2,505,039	
FY'98 General Fund Appropriations	\$7,233,451	
Revolving Funds	\$236,000	
Total FY'99 Budget	\$9,974,490	

FY'99 Budget by Source

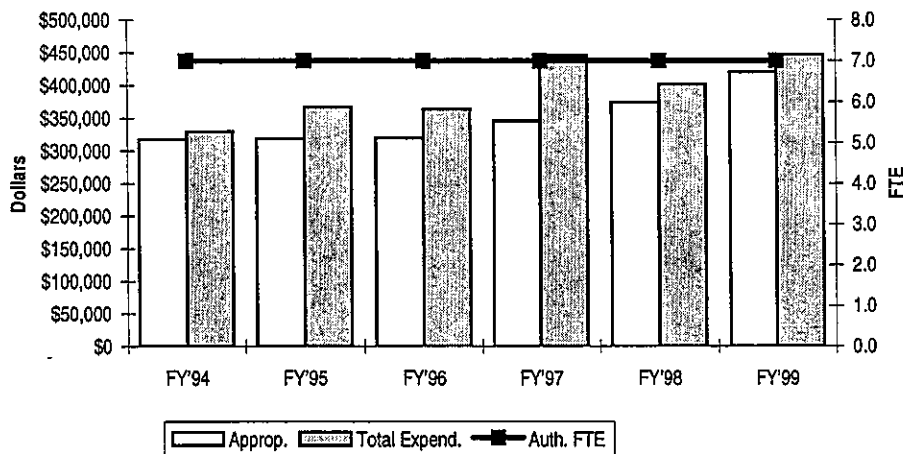


Appropriation Reference:
HB 3050, Sections 36-38
SB 971, Section 33

Expenditure Limit Reference:
HB 3042, Sections 2-3

Ethics Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$317,522	-5.0%	\$329,698	-5.3%	6.8	7.0
FY'95	\$318,693	0.4%	\$367,073	11.3%	6.7	7.0
FY'96	\$320,284	0.5%	\$364,047	-0.8%	6.7	7.0
FY'97	\$346,157 *	8.1%	\$445,444	22.4%	6.4	7.0
FY'98	\$373,733	8.0%	\$401,810	-9.8%	7.2	7.0
FY'99	\$420,350	12.5%	\$447,350	11.3%		7.0
6 Year Change	\$102,828	32.4%	\$117,652	35.7%		
Inf. Adjusted						
6 Year Change	\$58,059	18.3%	\$70,007	21.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Includes \$25,873 supplemental payroll, operating costs vetoed by the Governor during the 1996 session.

In FY'94, appropriations were cut by \$16,712 or 5% due to statewide budget reallocations. New fees authorized by the legislature were to offset more than \$9,000 of the cut. Also, the agency created a "donations fund" to receive \$136,000 from a court-ordered donation.

In FY'95, \$1,649 was added for the director's 5% salary increase and \$5,250 was cut due to decreased travel expenses.

In FY'96, the \$8,600 or 2.5% budget cut proposed in the executive budget was restored in GCCA.

In FY'97, the governor vetoed a \$28,000 appropriation for payroll cost increases and operations expansions. A supplemental appropriation was approved in March 1997 to avoid a shortfall.

In FY'98, \$26,284 was added to improve operations and \$8,000 was added to increase the General Counsel's salary.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	373,733	7.0

B. FY'99 Adjustments	Total	FTE
General Appropriation Bill Funding Adjustments		
1. Funding for one-time equipment purchases were removed from the base.	-2,000	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	11,142	
2. Reallocation of positions - Funds were provided in case two positions are upgraded to higher-paying classes of employment. The funds are restricted to this purpose.	22,256	
3. General Counsel Salary Increase - Effective July 1998, the agency's General Counsel received a salary increase in addition to the statewide raise.	2,000	
4. Executive Director Salary Increase - The Legislature provided a director's pay raise in addition to the statewide raise.	3,000	
5. Funds were provided to upgrade pay scales for the Special Investigator position.	10,219	
Total Adjustments	46,617	0.0

C. FY'99 Appropriation	<u>420,350</u>	<u>7.0</u>
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III. GOVERNOR'S VETOES

None.



IV. OTHER ISSUES

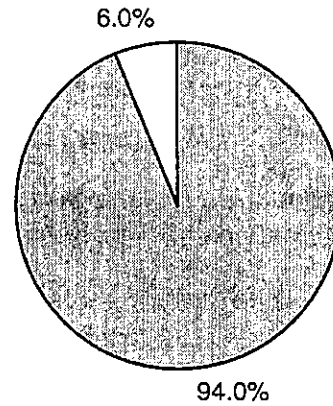
Agency rules provide that the Director's salary will increase from \$71,663 to \$85,000 effective January, 1999, pursuant to board policy that ties the salary to District Attorneys, whose salaries are set by 19 O.S. 215.30. As noted above, the legislature provided funding for a specific pay raise of \$3,000 plus the statewide employees raise.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations
Revolving Funds
Total FY'99 Budget

\$420,350	
\$27,000	
<hr/>	
\$447,350	

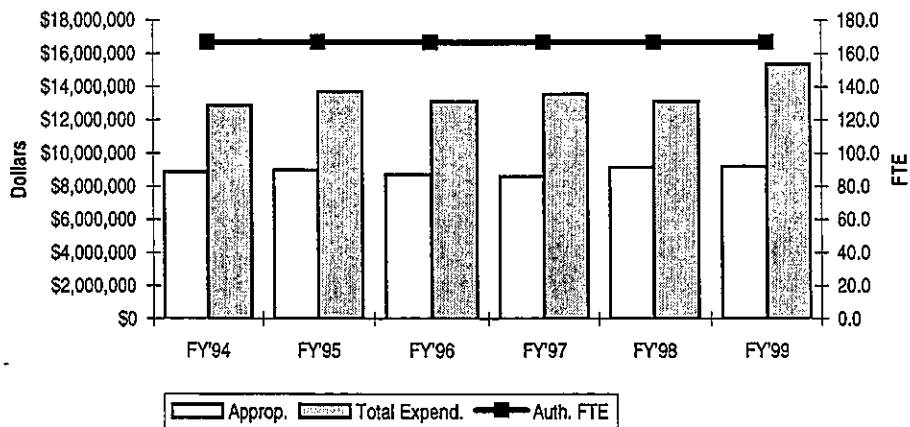


Appropriation Reference:
HB 3050, Section 114
HB 3042, Section 4

Expenditure Limit Reference:
HB 3042, Sections 6-7

Office of State Finance

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$8,878,784	-14.4%	\$12,881,251	-5.2%	147.9	167.0
FY'95	\$8,996,648	1.3%	\$13,706,474	6.4%	142.6	167.0
FY'96	\$8,735,502	-2.9%	\$13,127,388	-4.2%	137.7	167.0
FY'97	\$8,611,590	-1.4%	\$13,562,752	3.3%	138.0	167.0
FY'98	\$9,168,379 *	6.5%	\$13,134,705	-3.2%	138.5	167.0
FY'99	\$9,213,499 #	0.5%	\$15,365,472	17.0%		167.0
6 Year Change	\$334,715	3.8%	\$2,484,221	19.3%		
Infl. Adjusted 6 Year Change	-\$646,565	-7.3%	\$847,727	6.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Includes \$500,000 appropriation to the Reduction-in-Force Fund.

Includes \$342,000 Rainy Day appropriation for a telemedicine capital outlay project.

The FY'94 appropriation was cut \$926,013 or 10% due to statewide budget reallocations, and \$608,000 or 5.9% due to expiring lease-purchase agreements. \$37,924 was added for increased intergovernmental association dues.

The FY'95 appropriation was cut \$102,000 due to an expiring lease-purchase agreement, and increased \$83,140 for intergovernmental association dues.

The FY'96 appropriation was cut \$223,987 due to statewide budget reallocations, \$29,400 due the Governor's data processing recommendation and \$40,000 to remove one-time transition costs for the Governor and Lt. Governor.

In FY'97, appropriations for operations were increased by \$161,000. Also, \$485,770 of the agency's base appropriation was transferred to the Legislative Services Bureau and the Supreme Court, which will begin paying intergovernmental association dues that used to be paid by OSF.

There were no specific base appropriation changes to the agency's budget in FY'98.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	9,168,379	167.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. One-time funding for the Reduction-in-Force Emergency Cost Fund was not included in the agency's base.	-500,000	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	192,120	
2. Transition Costs - Funds were appropriated for potential transition costs of the Lieutenant Governor's office, which are traditionally funded through OSF.	11,000	
3. Rainy Day funds were appropriated for telemedicine line charges.	342,000	
Total Adjustments	45,120	0.0

C. FY'99 Appropriation	<u>9,213,499</u>	<u>167.0</u>
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III. GOVERNOR'S VETOES

None.





IV. OTHER ISSUES

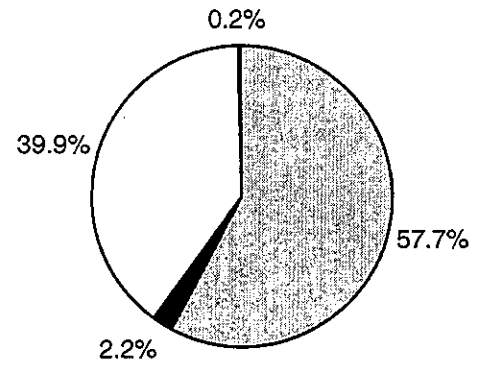
A. HB 3066, Section 1, allocates \$1 million of an OCIA bond issue for capital costs of management information systems used by the Office of State Finance.

B. For FY'99, the legislature enacted no limits for program budget categories, lease-purchases or FTE for OSF.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$8,871,499	
Constitutional Reserve Fund	\$342,000	
Revolving Funds	\$6,126,625	
Federal Funds	\$25,348	
Total FY'99 Budget	\$15,365,472	

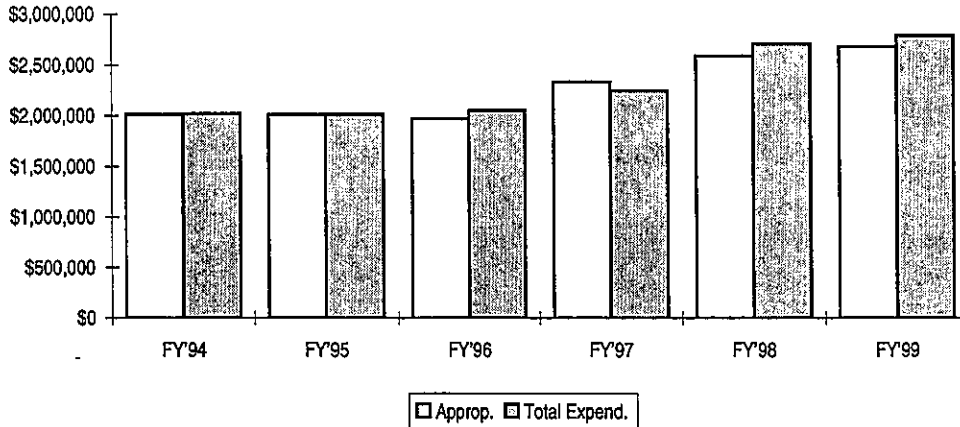


Appropriation Reference:
 HB 3050, Section 39
 HB 3017, Sections 7-8
 SB 965, Section 4

Expenditure Limit Reference:
 N/A

Governor

I. FUNDING HISTORY



	Appropriation *	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$2,013,924	-17.4%	\$2,020,100	-1.8%	40.0	N/A
FY'95	\$2,013,924	0.0%	\$2,013,924	-0.3%	39.5	N/A
FY'96	\$1,971,300	-2.1%	\$2,057,347	2.2%	38.5	N/A
FY'97	\$2,335,567	18.5%	\$2,250,998	9.4%	39.0	N/A
FY'98	\$2,595,876	11.1%	\$2,712,796	20.5%	40.2	N/A
FY'99	\$2,683,149	3.4%	\$2,793,149	3.0%		N/A
6 Year Change	\$669,225	33.2%	\$773,049	38.3%		
Infl. Adjusted 6 Year Change	\$383,457	19.0%	\$475,566	23.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Excludes appropriations to the State Emergency Fund, which is administered by the Governor's office. Appropriated for this purpose were \$1 million in each of FY'94 and FY'95, \$500,000 in FY'96 (supplementally); \$1 million for FY'97; \$1 million for FY'98; and \$1 million for FY'99.

In FY'94, the operations budget was reduced 10% or \$224,000 due to statewide budget reallocations.

In FY'95, the Governor vetoed a \$23,766 appropriation for costs of the statewide employee pay plan.

In FY'96, appropriations were reduced \$50,546 due to statewide budget reallocations. Also, \$7,922 was added to annualize FY'95 statewide pay increases. The Washington, D.C., office was closed, producing internal savings of \$150,000. Also, the Governor's Office began budgeting \$191,000 of transfers from other agencies for payroll costs of the natural resources cabinet secretary and a mansion employee.

In FY'97, \$275,000 was added to support two cabinet secretary positions and staff, \$23,000 was added to increase the mansion allowance by 66%, and \$66,267 was added for state employee pay increases.

In FY'98, the base budget was increased \$200,000 for computer system improvements and \$40,000 for operations increases.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	2,595,876	N/A
B. FY'99 Adjustments	Total	FTE
General Appropriation Bill Funding Adjustments		
1. Funding was provided for costs of the Governor's pay increase enacted in HB 1895 (1997). The change, effective January 1999, raises the governor's salary from \$70,000 to \$101,140.	19,462	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	67,811	
Total Adjustments	87,273	0.0
C. FY'99 Appropriation	2,683,149	N/A

III. GOVERNOR'S VETOES

None.

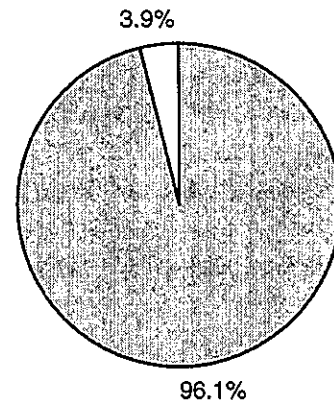
IV. OTHER ISSUES

\$1 million was appropriated to the State Emergency Fund in HB 3050, Section 41, for disaster assistance programs. The fund is administered by the Governor's Office.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$2,683,149	■
Revolving Funds	\$110,000	□
Total FY'99 Budget	\$2,793,149	

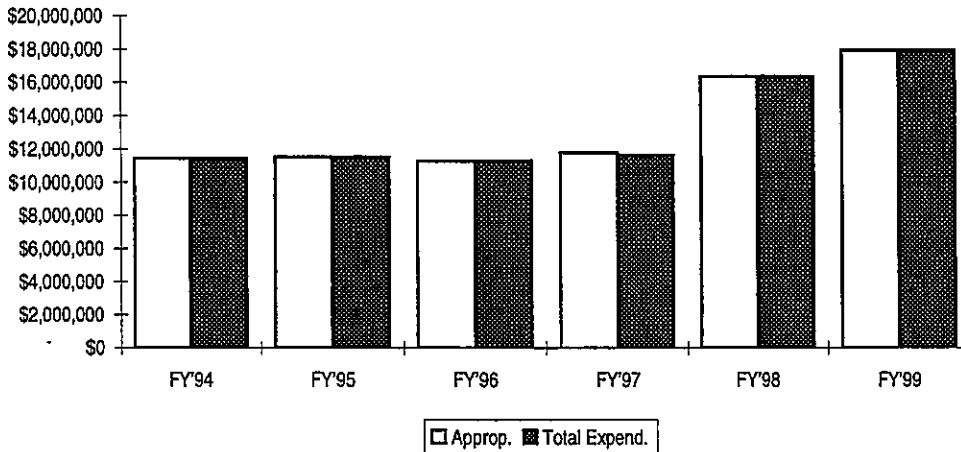


Appropriation Reference:
 HB 3050, Section 40
 HB 3007, Section 1

Expenditure Limit Reference:
 HB 3050, Section 40

House of Representatives

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$11,432,178	-6.9%	\$11,432,175	-6.9%	255.8	N/A
FY'95	\$11,515,106	0.7%	\$11,515,106	0.7%	263.9	N/A
FY'96	\$11,281,117	-2.0%	\$11,306,556	-1.8%	267.8	N/A
FY'97	\$11,789,152	4.5%	\$11,648,346	3.0%	270.7	N/A
FY'98	\$16,385,799	39.0%	\$16,385,799	40.7%	285.4	N/A
FY'99	\$17,943,958	9.5%	\$17,943,958	9.5%		N/A
6 Year Change	\$6,511,780	57.0%	\$6,511,783	57.0%		
Infl. Adjusted						
6 Year Change	\$4,600,665	40.2%	\$4,600,668	40.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

For FY'94 appropriations were cut by \$843,100 or 10% due to statewide budget reallocations. Statutory legislative salaries were exempted when calculating the budget cut.

In FY'96, appropriations were cut \$289,259 or 2.5% due to statewide budget reallocations.

In FY'97, \$508,035 was added for statewide employee pay raise and retirements costs.

In FY'98, \$3.3 million was added because bill processing functions were transferred from the Legislative Service Bureau, \$660,000 was added for statutory mileage and per-diem increases and \$450,000 was added for operations funding.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	16,385,799	N/A
B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriation Bill Funding Adjustments		
1. Legislative Pay Adjustment - The Legislative Compensation Board voted in October 1997 to increase annual salaries of lawmakers from \$32,000 to \$38,400 effective November 1998.	886,914	
2. Purchase of Statutes, Supplements, and Session Laws	200,000	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	471,245	
Total Adjustments	<u>1,558,159</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>17,943,958</u></u>	<u><u>N/A</u></u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

SB 916, Section 2, reappropriates \$1.2 million of funds originally appropriated to the Legislative Service Bureau to the House of Representatives for renovation of Capitol space.

V. FUNDING SOURCES - FY'99 BUDGET

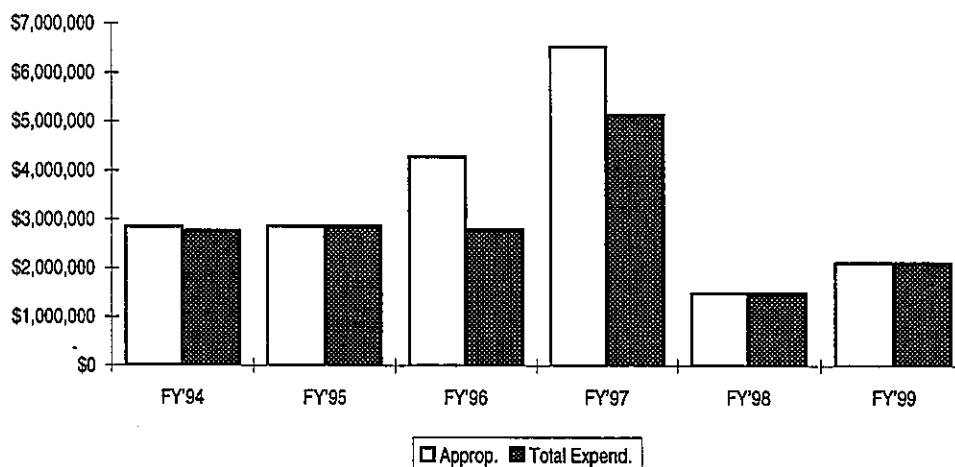
The entire FY'99 budget (\$17,943,958) is funded through General Revenue Fund Appropriations.

Appropriation Reference:
HB 3050, Sections 42-43
SB 916, Section 1

Expenditure Limit Reference:
N/A

Legislative Service Bureau

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$2,847,709	-10.0%	\$2,765,674	-14.0%	25.3	N/A
FY'95	\$2,865,367	0.6%	\$2,865,840	3.6%	27.9	N/A
FY'96	\$4,286,151	49.6%	\$2,799,472	-2.3%	30.0	N/A
FY'97	\$6,539,703	52.6%	\$5,142,990	83.7%	28.4	N/A
FY'98	\$1,492,220	-77.2%	\$1,492,220	-71.0%	14.5	N/A
FY'99	\$2,117,344	41.9%	\$2,117,344	41.9%		N/A
6 Year Change	-\$730,365	-25.6%	-\$648,330	-23.4%		
Infl. Adjusted 6 Year Change	-\$955,872	-33.6%	-\$873,837	-31.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, appropriations were cut \$316,412 or 10% due to statewide budget reallocations.

In FY'96, \$71,781 or 2.5% was cut due to statewide reallocations, and \$1.5 million was added for renovation of Capitol space allocated to the House of Representatives.

In FY'97, \$1.75 million was added to upgrade the online bill status system, \$48,647 was added for intergovernmental association dues increases, and \$404,461 was added because LSB began paying certain intergovernmental association dues that used to be paid by OSF.

In FY'98, \$5.1 million was reduced from the base because bill processing functions were transferred to the House and Senate, and \$3,669 was added for increased dues of intergovernment associations paid by LSB.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	1,492,220	N/A

	<u>Total</u>	<u>FTE</u>
B. FY'99 Adjustments		
General Appropriation Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	19,230	
2. Transfer of Oklahoma Criminal Justice Resource Center from the Department of Public Safety to LSB.	605,894	
Total Adjustments	<u>625,124</u>	<u>0.0</u>

C. FY'99 Appropriation	<u><u>2,117,344</u></u>	<u><u>N/A</u></u>
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

SB 916, Section 6, amends statutes to transfer the Criminal Justice Resource Center from the Department of Public Safety to LSB.

V. FUNDING SOURCES - FY'99 BUDGET

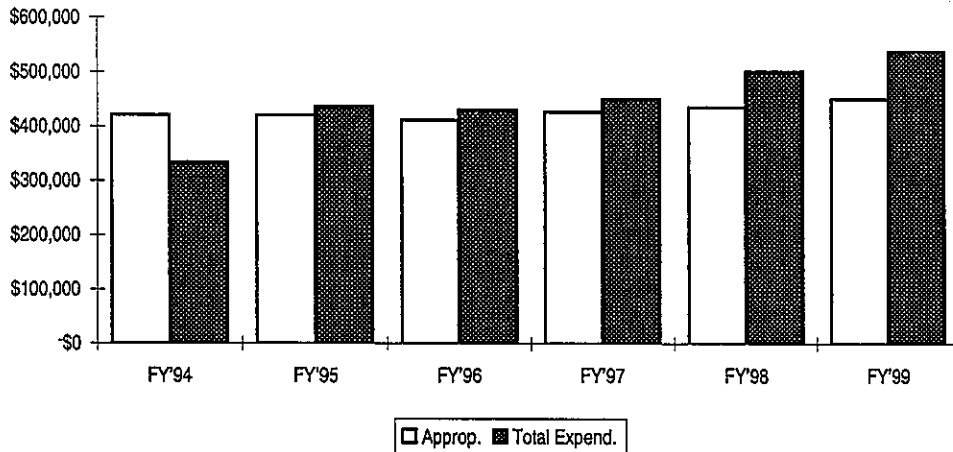
The entire FY'99 budget (\$2,117,344) is funded through General Revenue Fund Appropriations.

Appropriation Reference:
SB 3050, Section 44
SB 916, Sections 3-4

Expenditure Limit Reference:
N/A

Lieutenant Governor

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$421,351	-10.0%	\$334,032	-8.3%	8.0	N/A
FY'95	\$421,351	0.0%	\$436,925	30.8%	9.2	N/A
FY'96	\$412,444	-2.1%	\$431,023	-1.4%	9.0	N/A
FY'97	\$427,367	3.6%	\$451,542	4.8%	9.0	N/A
FY'98	\$435,910	2.0%	\$501,866	11.1%	9.0	N/A
FY'99	\$451,560	3.6%	\$538,623	7.3%		N/A
6 Year Change	\$30,209	7.2%	\$204,591	61.2%		
Infl. Adjusted 6 Year Change	-\$17,884	-4.2%	\$147,225	44.1%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, the appropriation was cut \$46,817 or 10% due to statewide budget reallocations.

In FY'95, the Governor vetoed the legislature's attempt to appropriate \$5,000 for costs of the statewide salary increase in the Lt. Governor's office. Also unfunded was a statutorily mandated increase in the Lt. Governor's salary of \$22,500.

In FY'96, appropriations were cut \$10,575 or 2.5% due to statewide budget reallocations.

In FY'97 there were no specific appropriations adjustments.

In FY'98, \$4,580 was added for operations funding.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	435,910	N/A
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
<i>General Appropriation Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	15,650	
Total Adjustments	<u>15,650</u>	<u>0.0</u>
C. FY'99 Appropriation		
	<u><u>451,560</u></u>	<u><u>N/A</u></u>

III. GOVERNOR'S VETOES

None.

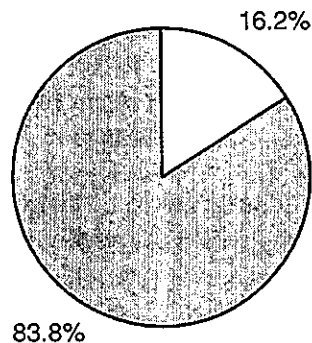
IV. OTHER ISSUES

HB 1895 (1997), Section 7, increases the Lt. Governor's salary from the current \$62,500 to \$75,530, an increase of \$13,030 or 20.8%, effective January 1999.

V. FUNDING SOURCES - FY'99 BUDGET

F'99 Budget by Source

Prior Year Appropriations	\$87,063	□
General Fund Appropriations	\$451,560	□
Total FY'99 Budget	<u>\$538,623</u>	

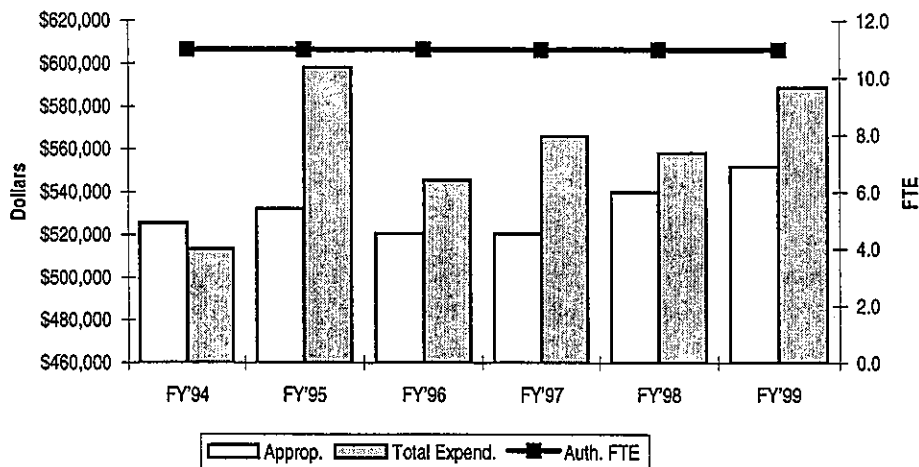


Appropriation Reference:
 HB 3050, Section 45
 HB 3007, Section 2

Expenditure Limit Reference:
 N/A

Merit Protection Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$525,634	-11.9%	\$513,518	0.8%	9.6	11.0
FY'95	\$532,211	1.3%	\$598,242	16.5%	11.0	11.0
FY'96	\$520,743	-2.2%	\$545,584	-8.8%	10.1	11.0
FY'97	\$520,743	0.0%	\$566,229	3.8%	9.0	11.0
FY'98	\$539,967	3.7%	\$558,383	-1.4%	9.0	11.0
FY'99	\$552,162	2.3%	\$589,008	5.5%		11.0
6 Year Change	\$26,528	5.0%	\$75,490	14.7%		
Infl. Adjusted						
6 Year Change	-\$32,280	-6.1%	\$12,758	2.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, the appropriation was cut by \$70,823 or 11.9% due to statewide budget reallocations.

In FY'95, HB 2331 required the agency to develop several training programs to help managers deal with grievances internally. No appropriations were provided for this purpose, although fees charged to agencies provided about \$6,000 in revolving funds.

In FY'96, appropriations were cut \$13,660 or 2.5% due to statewide budget reallocations. The agency RIFed two positions. The Governor vetoed legislation providing \$34,477 to support FTE who had been paid by carryover funds since FY'94.

In FY'97, the governor vetoed an appropriation increase of \$81,039 to replace two positions RIFed due to budget cuts. Also vetoed was \$15,353 for statewide employee pay and retirement costs.

In FY'98, funding was increased \$15,261 for pay raise costs vetoed the previous year.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	539,967	11.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
<i>General Appropriation Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	12,195	
Total Adjustments	<u>12,195</u>	<u>0.0</u>
C. FY'99 Appropriation		
	<u><u>552,162</u></u>	<u><u>11.0</u></u>

III. GOVERNOR'S VETOES

None.

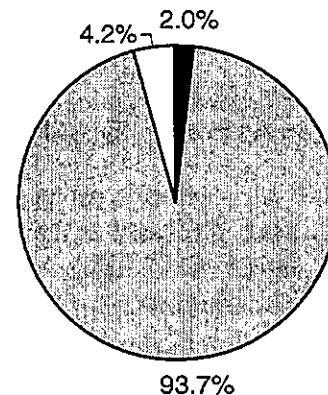
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

Prior Year Appropriations	\$11,846	■
General Fund Appropriations	\$552,162	▨
Revolving Funds	\$25,000	□
Total FY'99 Budget	<u>\$589,008</u>	

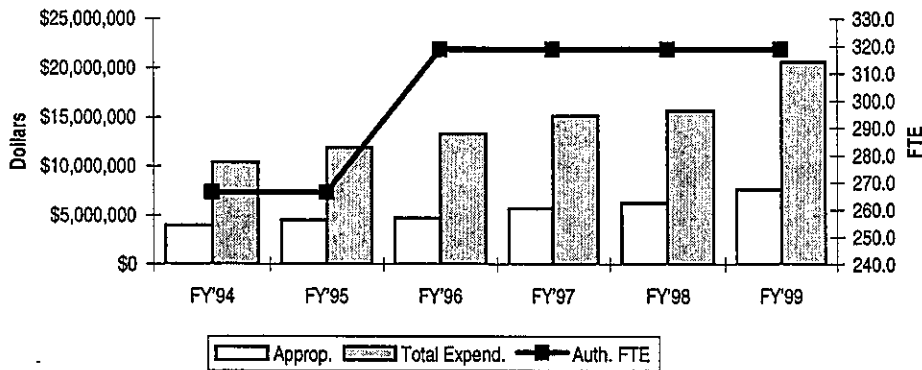


Appropriation Reference:
 HB 3050, Section 46
 HB 3022, Section 1

Expenditure Limit Reference:
 HB 3022, Sections 2-3

Military Department

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$3,955,700	-9.0%	\$10,416,184	2.1%	230.7	266.5
FY'95	\$4,514,065	14.1%	\$11,922,096	14.5%	328.7	266.5
FY'96	\$4,755,182	5.3%	\$13,318,871	11.7%	245.1	319.0
FY'97	\$5,736,570	20.6%	\$15,145,570	13.7%	242.7	319.0
FY'98	\$6,281,543	9.5%	\$15,685,679	3.6%	252.0	319.0
FY'99	\$7,687,397	22.4%	\$20,615,840 *	31.4%		319.0
6 Year Change	\$3,731,697	94.3%	\$10,199,656	97.9%		
Infl. Adjusted						
6 Year Change	\$2,912,954	73.6%	\$8,003,973	76.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* This number includes \$699,628 transferred to the Oklahoma Military Department from the Governor's Emergency Fund for "Operation Haymaker" (\$625,209) and Fire Suppression (\$74,415).

In FY'94, appropriations were reduced \$208,195 or 4.8% due to statewide budget reallocations.

In FY'95, \$500,000 was added to the agency's base appropriation level for OMD 2000, a 15-year plan to make major repairs at the states armories.

In FY'96, appropriations were reduced \$113,338 or 2.5% due to statewide budget reallocations, and increased \$335,000 for OMD 2000 armory maintenance. FTE were increased 52.5 for youth programs.

In FY'97, \$652,845 was added to replace federal support of youth academies (Thunderbird in Pryor and Starbase in Tulsa), \$320,428 in Rainy Day funds were provided to match a special federal grant for armory maintenance, \$200,000 was added to the OMD 2000 armory maintenance program, and \$5,000 was added for 45th Infantry Museum operations. Also, funds were reappropriated from other agencies for maintenance (\$200,000), and hosting a national conference (\$20,000).

In FY'98, \$300,000 was added to bring the OMD 2000 base budget to \$1 million, \$150,694 was added to replace federal funding at the Thunderbird Youth Academy, and \$352,770 in one-time funding was provided as state match for a special federal facility maintenance program. Also, \$397,230 was reappropriated to Military from other agencies for capital projects.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	\$6,281,543	319.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. Funds appropriated in FY'98 for matching a special federal grant were not included in the agency's base.	-352,770	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	203,624	
2. OMD 2000 - Funds were provided for the agency's armory maintenance program, increasing FY'99 funding to \$1.35 million.	350,000	
3. Matching Funds - A Rainy Day Fund appropriation of \$750,000 was enacted to help match federal grants available for facility maintenance.	750,000	
4. Computer Switch - Funds were appropriated for purchase of a computer switch that will provide a high speed asynchronous transfer mode (ATM) voice, data and video network to the 77 armories.	225,000	
5. Thunderbird Youth Academy - Funds were provided for educational costs of a property offender program at the academy.	230,000	
Total Adjustments	<u>1,405,854</u>	<u>0.0</u>

C. FY'99 Appropriation	<u><u>7,687,397</u></u>	<u><u>319.0</u></u>
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III. GOVERNOR'S VETOES






None.

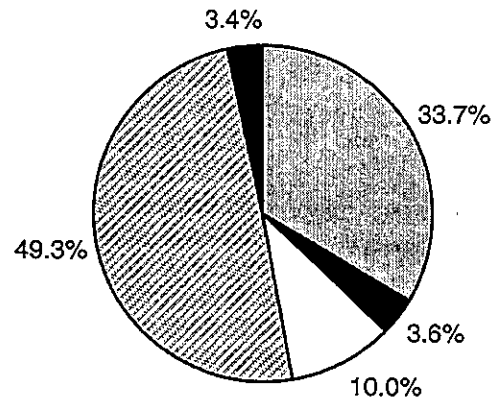
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$6,937,397	
Constitutional Reserve Fund	\$750,000	
Revolving Funds	\$2,062,050	
Federal Funds	\$10,166,765	
Governor's Emergency Fund	\$699,628	
Total FY'99 Budget	\$20,615,840	



Appropriation Reference:

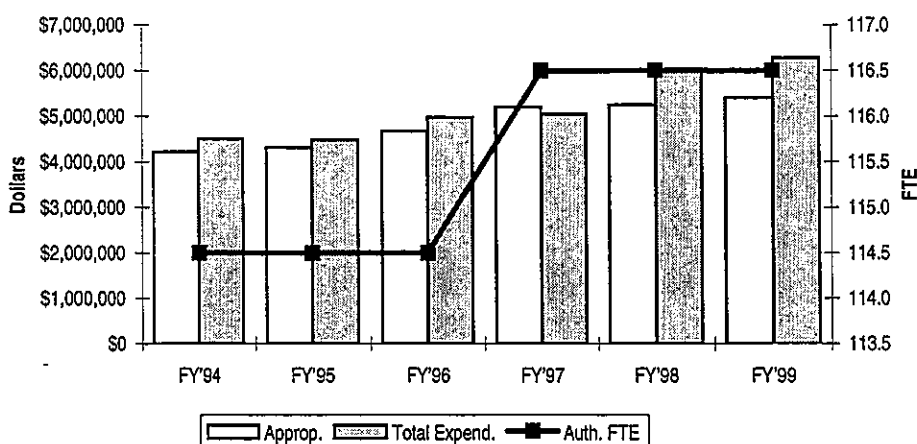
- HB 3050, Section 47
- HB 3013, Section 1
- HB 3065, Section 18
- SB 971, Section 11
- SB 965, Section 25

Expenditure Limit Reference:

- HB 3013, Sections 2-3

Office of Personnel Management

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$4,225,175	-11.8%	\$4,499,371	-5.3%	103.4	114.5
FY'95	\$4,307,878	2.0%	\$4,477,584	-0.5%	102.3	114.5
FY'96	\$4,671,694	8.4%	\$4,972,843	11.1%	101.5	114.5
FY'97	\$5,199,412	11.3%	\$5,044,927	1.4%	104.0	116.5
FY'98	\$5,250,432	1.0%	\$6,035,887	19.6%	109.0	116.5
FY'99	\$5,405,165	2.9%	\$6,275,953	4.0%		116.5
6 Year Change	\$1,179,990	27.9%	\$1,776,582	39.5%		
Infl. Adjusted 6 Year Change	\$604,315	14.3%	\$1,108,164	24.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94 the appropriation was cut \$564,484 or 11.8% due to statewide budget reallocations, and 7.5 vacant FTE were eliminated.

In FY'95 HB 2331 required the agency to begin revamping many aspects of the state merit system.

In FY'96, \$123,322 or 2.9% was cut due to statewide reallocations and \$341,213 was added to replace carryover used to fund salaries since the FY'94 budget cut.

In FY'97, the following appropriation adjustments were made: \$175,000 to study and initiate reforms of the state classification and compensation system, \$125,000 to expand the Employee Assistance Program, and \$68,946 to provide base funding for an Agency Services Unit.

In FY'98, there were no specific adjustments to the agency's base budget.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	5,250,432	116.5
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	154,733	
Total Adjustments	154,733	0.0
C. FY'99 Appropriation	5,405,165	116.5

III. GOVERNOR'S VETOES

None.

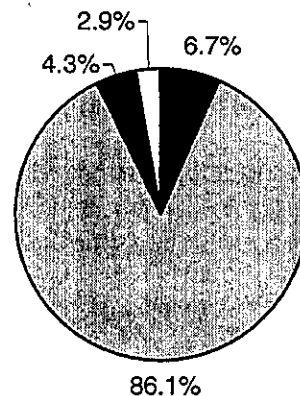
IV. OTHER ISSUES

- A. SB 969, Section 1, transfers \$50,000 of the Office of Personnel Management's FY'98 appropriation to the Special Cash Fund. This amount of carryover was determined to be excessive.
- B. OPM will use approximately \$150,000 in carryover funds from its FY'98 budget to support FY'99 activities of its Classification/Compensation Reform project.

V. FUNDING SOURCES - FY'99 BUDGET

Previous Year Appropriations	\$422,038	■
General Fund Appropriations	\$5,405,165	▨
OPM Revolving Fund	\$267,846	■
EBC Reimbursement Fund	\$180,904	□
Total FY'99 Budget	\$6,275,953	

FY'99 Budget by Source

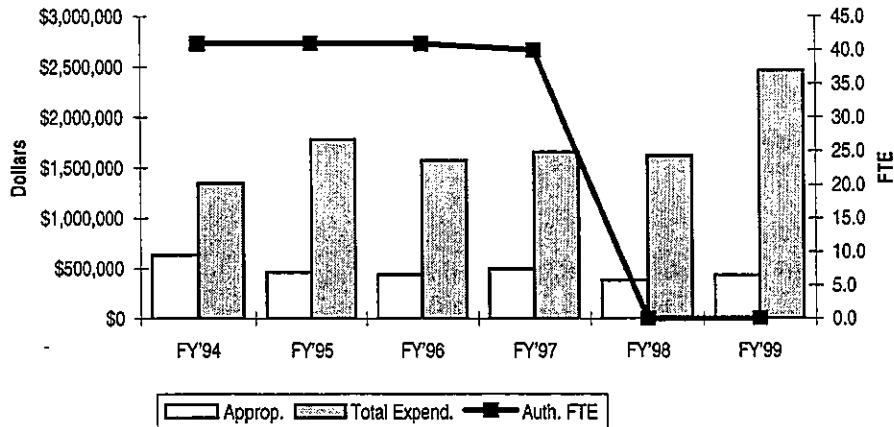


Appropriation Reference:
 HB 3050, Section 48
 HB 3022, Section 4

Expenditure Limit Reference:
 HB 3022, Sections 5-6

Secretary of State

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$634,753	-10.0%	\$1,346,971	11.6%	30.8	41.0
FY'95	\$464,714	-26.8%	\$1,781,517	32.3%	33.5	41.0
FY'96	\$439,180	-5.5%	\$1,575,717	-11.6%	32.8	41.0
FY'97	\$495,557	12.8%	\$1,658,661	5.3%	30.1	40.0
FY'98	\$386,417	-22.0%	\$1,620,464	-2.3%	32.4	N/A
FY'99	\$433,371	12.2%	\$2,465,078	52.1%		N/A
6 Year Change	-\$201,382	-31.7%	\$1,118,107	83.0%		
Infl. Adjusted 6 Year Change	-\$247,538	-39.0%	\$855,565	63.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94 appropriations were cut \$70,528 or 10% due to statewide budget reallocations.

In FY'95, the appropriation was cut \$100,000 to offset increased filing fees enacted in SB 909 (1994), and \$91,228 was reduced from the Administrative Code budget for one-time equipment purchases.

In FY'96, appropriations were cut \$42,582 due to statewide budget reallocations and \$50,000 due to excess revolving fund income. Added to the agency's base was \$59,985 to pay higher charges by OSF for computer services.

In FY'97, \$124,000 was added for one-time costs of the Oklahoma Administrative Code, and \$119,340 was removed from the base because the Office of Volunteerism was transferred to the Department of Civil Emergency Management.

In FY'98, there were no specific adjustments to the agency's base budget.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	386,417	40.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	46,954	
Total Adjustments	46,954	0.0
C. FY'99 Appropriation	433,371	40.0

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

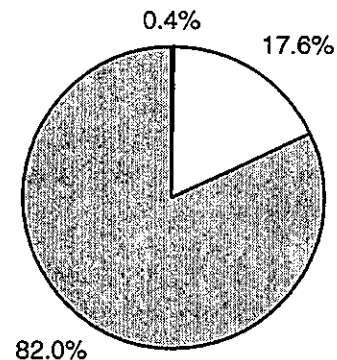
A. HB 3060, Section 1, directs the transfer of \$300,000 from the agency's Revolving Fund to the Special Cash Fund.

B. For FY'99, the Legislature enacted no budget or program budget limits for the Secretary of State's office.

V. FUNDING SOURCES - FY'99 BUDGET

Prior Year Appropriations	\$9,750	■
General Fund Appropriations	\$433,371	□
Revolving Funds	\$2,021,957	▨
Total FY'99 Budget	\$2,465,078	

FY'99 Budget by Source

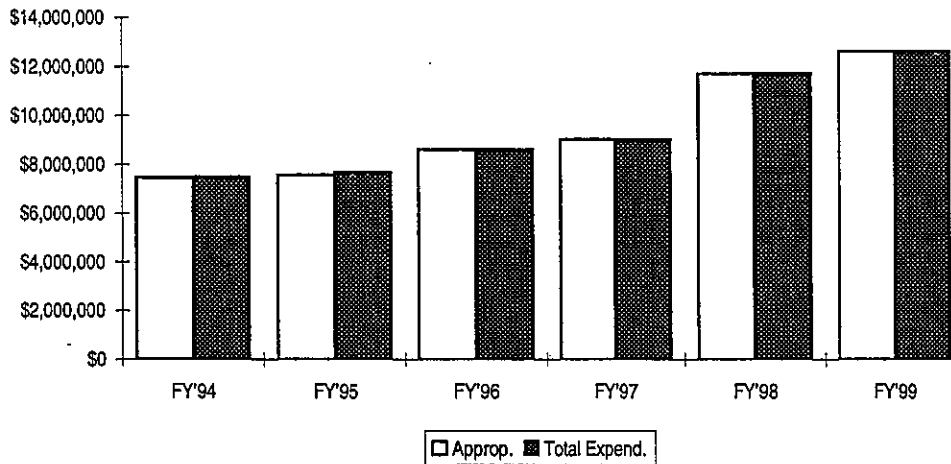


Appropriation Reference:
 HB 3050, Sections 49-51
 SB 920, Section 4

Expenditure Limit Reference:
 N/A

Senate

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$7,470,831	-7.7%	\$7,492,193	-7.4%	163.4	N/A
FY'95	\$7,580,211	1.5%	\$7,684,226	2.6%	172.1	N/A
FY'96	\$8,627,026	13.8%	\$8,627,026	12.3%	181.7	N/A
FY'97	\$9,040,700	4.8%	\$9,031,801	4.7%	184.4	N/A
FY'98	\$11,728,725	29.7%	\$11,728,725	29.9%	193.5	N/A
FY'99	\$12,638,823	7.8%	\$12,638,823	7.8%		N/A
6 Year Change	\$5,167,992	69.2%	\$5,146,630	68.7%		
Infl. Adjusted 6 Year Change	\$3,821,899	51.2%	\$3,800,537	50.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

The FY'94 appropriation was cut by \$620,472 or 7.7% due to statewide budget reallocations.

In FY'96, appropriations were cut \$190,437 or 2.5% due to statewide budget reallocations, \$800,000 was added for Capitol space renovations under HB 1919, and \$400,000 was added for security and parking improvements under SB 437.

In FY'97, \$75,000 was added for operations.

In FY'98, \$1.7 million was added because bill processing functions were transferred from the Legislative Service Bureau, \$310,000 was added for statutory mileage and per-diem increases and \$450,000 was added for operations funding.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	11,728,725	N/A
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
<i>General Appropriations Bill Funding Adjustments</i>		
1. Legislative Pay Adjustment - The Legislative Compensation Board voted in October 1997 to increase annual salaries of lawmakers from \$32,000 to \$38,400 effective November 1998.	588,172	
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	321,926	
Total Adjustments	<u>910,098</u>	<u>0.0</u>
C. FY'99 Appropriation		
	<u><u>12,638,823</u></u>	<u><u>N/A</u></u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

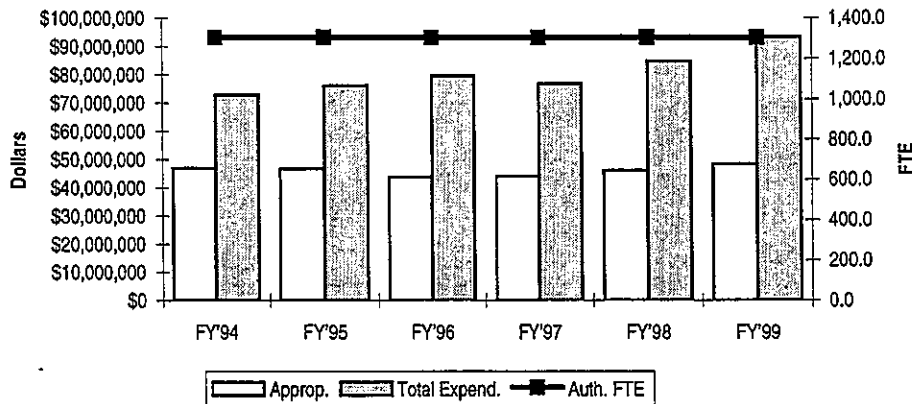
The entire FY'99 budget (\$12,638,823) is funded through General Revenue Fund Appropriations.

Appropriation Reference:
 HB 3050, Section 52
 SB 916, Section 7

Expenditure Limit Reference:
 N/A

Tax Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$46,978,553	1.5%	\$72,884,671	-8.4%	1,175.1	1,304.0
FY'95	\$46,686,608	-0.6%	\$76,068,070	4.4%	1,139.4	1,304.0
FY'96	\$43,722,844	-6.3%	\$79,577,577	4.6%	1,125.1	1,304.0
FY'97	\$44,138,398 *	1.0%	\$76,762,991	-3.5%	1,087.4	1,304.0
FY'98	\$46,096,746 ^	4.4%	\$84,693,368	10.3%	1,116.8	1,304.0
FY'99	\$48,507,129	5.2%	\$93,388,312	10.3%		1,304.0
6 Year Change	\$1,528,576	3.3%	\$20,503,641	28.1%		
Infl. Adjusted						
6 Year Change	-\$3,637,659	-7.7%	\$10,557,352	14.5%		

† Total of all appropriated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of expenditures.

* Includes \$415,554 appropriated supplementally for statewide employee pay costs.

^ Includes \$67,308 appropriated supplementally to boost collections programs.

In FY'94, appropriations were cut \$3.6 million or 7.8% due to statewide budget reallocations. \$1.8 million of the cut was absorbed through reduced obligations and increased revolving revenues. 25 vacant positions were eliminated. Added to the base was \$97,612 for bingo tax enforcement, and \$1.4 million and 14 FTE associated with the Ad Valorem Task Force, transferred from the State Auditor's office.

In FY'95, \$748,800 was added to the base to increase collections, which raised GR certification by \$5.8 million. The \$137,700 assessor accreditation program was transferred to the State Auditor's office.

In FY'96, the appropriations base was reduced \$1 million due to discontinued reimbursement to counties for ad valorem computerization; \$1.4 million or 3% was cut due to statewide budget reallocations; \$457,700 was cut for the governor's data processing reform program; and \$400,000 was cut due to increased revolving funds available to support operations.

In FY'97, the governor vetoed a \$1.7 million appropriation for costs of the state employee pay raise and retirement increase and \$40,000 for a Fax-on-Demand form distribution program. A supplemental appropriation of \$415,554 was provided in March 1997 to cover payroll costs.

In FY'98, the base budget was increased \$1.7 million for costs of a pay raise enacted in FY'97.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	46,029,438	1,304.0
Supplemental - \$67,308 was appropriated by SB 963 for partial-year costs of hiring 17 additional employees to collect delinquent taxes.	67,308	
Revised FY'98 Appropriation	46,096,746	

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. The FY'98 supplemental was not added to the agency's base budget.	-67,308	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage. --	1,669,778	
2. Cost increase of contract for temporary employees used during peak tax processing periods.	165,000	
3. Business Registration Compliance Project - Funds were provided to add 17.0 FTE tax compliance officers in the agency's Collection Division. Tax collections were certified to increase \$3.2 million during FY'99 because of the project, which involves surveying businesses in metropolitan areas for compliance with business tax policies.	538,456	
4. Rainy Day Funds were appropriated for the agency to purchase a new computer mainframe and PC's for the field auditors.	752,000	
5. The agency's base budget was reduced due to combination of two revolving funds used to reimburse counties (see Other Issues below).	-647,543	
Total Adjustments	<u>2,410,383</u>	<u>0.0</u>

C. FY'99 Appropriation	<u>48,507,129</u>	<u>1,304.0</u>
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III. GOVERNOR'S VETOES

None.

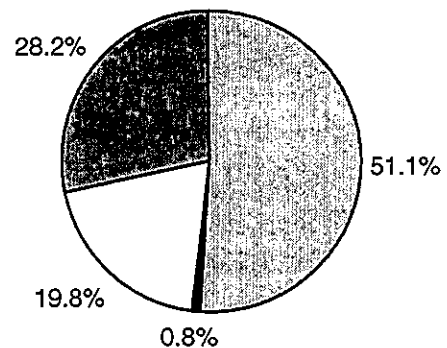
IV. OTHER ISSUES

- A. HB 3060, Section 5, directs the transfer of \$4.98 million from OTC's Ad Valorem Reimbursement Fund to the Special Cash Fund.
- B. SB 1179 effectively merges the agency's Fund for Reimbursement of Counties (280 Fund) with the Ad Valorem Reimbursement (285) Fund. Combining the funds eliminates the need for 1) annual appropriation to the 280 Fund and 2) transfers among the funds that had been required by annual appropriation bills. The subcommittee determined that revenues to the 285 Fund (apportioned income tax receipts) are sufficient to fully fund reimbursements to counties for double homestead exemptions and 5-year manufacturing exemptions.
- C. SB 958, Section 3, authorizes the agency to spend \$860,746 from the Ad Valorem Reimbursement Fund to make repayment to the Ford Glass Plant in Tulsa, which had overpaid ad valorem taxes.
- D. SB 958, Section 4, authorizes the agency to spend \$960,883 from the Ad Valorem Reimbursement Fund to reimburse counties for the cost of upgrading computers used in assessing property.
- E. SJR 22 was enacted to put to a vote of the people a constitutional amendment that would equalize tax commissioners' salaries. Currently, commissioners' salaries range from \$70,000 to \$84,500. If passed, all commissioners would be paid \$84,500 with the chairman paid \$85,000. The change would cost the agency \$31,902 in salary and benefits.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$47,755,129	▨
Constitutional Reserve Funds	\$752,000	■
Revolving Funds	\$18,520,300	□
Pass Thru Funds	\$26,360,883	▩
Total FY'99 Budget	\$93,388,312	

FY'99 Budget by Source

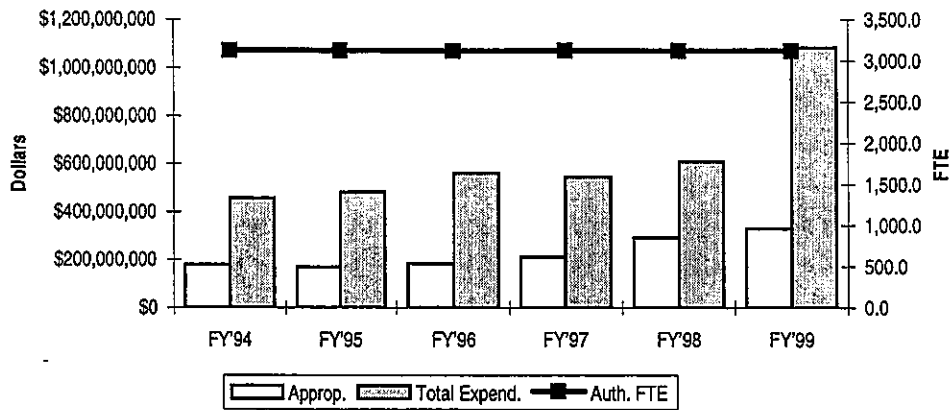


Appropriation Reference:
 HB 3050, Section 53
 HB 3017, Sections 9-10
 SB 965, Section 9

Expenditure Limit Reference:
 HB 3050, Section 54
 HB 3017, Sections 12-13

Department of Transportation

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$179,787,085	-13.2%	\$455,607,474	-1.2%	2,909.0	3,125.0
FY'95	\$169,877,413	-5.5%	\$481,778,134	5.7%	2,773.5	3,125.0
FY'96	\$184,055,562	8.3%	\$560,991,094	16.4%	2,680.8	3,125.0
FY'97	\$212,815,071 *	15.6%	\$546,173,050 *	-2.6%	2,681.9	3,125.0
FY'98	\$292,775,410	37.6%	\$610,168,457	11.7%	2,672.1	3,125.0
FY'99	\$331,375,377	13.2%	\$1,084,352,072	77.7%		3,125.0
6 Year Change	\$151,588,292	84.3%	\$628,744,598	138.0%		
Infl. Adjusted						
6 Year Change	\$116,295,275	64.7%	\$513,256,064	112.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations and capital projects. The FY'99 figure is an estimate of anticipated expenditures.

* Includes a \$7.5 million appropriation for the REAP transportation component (administered by DOT).

From FY'92 through FY'95, the agency was funded solely with dedicated revenues from the state Transportation Fund. Appropriations to DOT rose or fell during that period based on motor fuel tax receipts and other legislated uses of the funds. During the period, authorized FTE levels were reduced by 288.0 due to eliminating vacant positions.

In FY'96, General Revenue funds of \$621,000 were appropriated in addition to fuel tax revenues.

In FY'97, GR funds of \$14.2 million were appropriated to ODOT in addition to increased fuel tax revenues of \$7.2 million. Also, \$500,000 was provided to public transit programs. ODOT began administering a \$7.5 million component of the Rural Economic Assistance Plan (REAP).

In FY'98, the HB 1629 road plan was funded with \$9.2 million in increased fuels tax collections, \$25.7 million in GR and \$50 million in Rainy Day funds. Also, public transit funding was increased by \$500,000, Mangum airport project received \$678,000, and a special road project received \$100,000. The base was reduced \$7.5 million due to transfer of REAP program responsibilities.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	292,775,410	3,125.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. The base budget was reduced by \$778,000 because of one-time special projects, \$50 million in Rainy Day funds appropriated for HB 1629 (1997); and \$8,246,472 due to reduction in certification of prior year fuels tax collections.	-59,024,472	
Other Appropriation Adjustments		
1. Funds were appropriated during a special session to fund expansion of health care benefits for employees. Employees with families will be compensated for half of dependent care costs; employees with no dependents will receive \$37.50/month in added benefit allowance. The agency will internalize the estimated \$2.1 million cost of the mid-FY'99 state employee pay raise. Annualized pay raise cost is \$4.3 million.	2,251,174	
3. General Revenue Funds were appropriated for HB 1629, the 1997 Roads Bill.	9,240,088	
4. Constitutional Reserve Funds for HB 1629 duties.	80,000,000	
5. Public Transit - General Revenue Funds were provided to continue state support for public transit programs at \$1.5 million. \$500,000 of this total was appropriated during a special session.	1,000,000	
6. Funds were appropriated during a special session for duties. Of the total, \$4,570,448 was to rectify an error and \$562,729 was unspecified.	5,133,177	
Total Adjustments	38,599,967	0.0

C. FY'99 Appropriation	<u>331,375,377</u>	<u>3,125.0</u>
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

A. Funding for the \$1.01 billion road plan enacted by the Legislature in HB 1629 (1997) was continued in FY'98. The two-phase plan provides for a combination of lease-back bond and cash funding of specific highway improvements throughout the state. The legislature provided the following appropriations for HB 1629 obligations:

- \$5.1 million in new revenues are provided to ODOT in FY'98 to increase the base for cash funding of roads from \$34.9 million to \$40 million.
- \$60 million in Rainy Day Funds are provided for cash funding of roads.
- \$28,710,536 was appropriated for FY'99 costs of retiring bonds that are authorized under the act. The Oklahoma Capitol Improvement Authority began issuing the bonds on July 9, 1998.

B. HB 1001, Section 131, directs ODOT to transfer \$500,000 of its FY'99 GA bill appropriation to the Public Transit Revolving Fund. This language maintains the \$500,000 base budget increase for transit programs that began in FY'97.

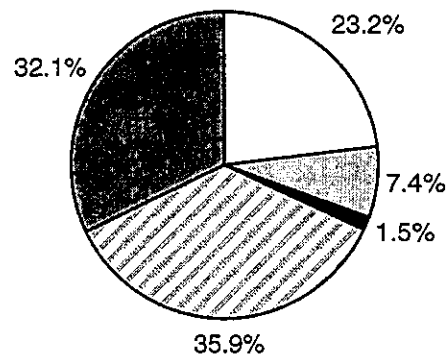
C. Prior year's fuel tax collections dropped between the FY'98 and FY'99 budget years, resulting in a net reduction of appropriation to ODOT of \$8,246,472 in the GA bill. The agency internalized the reduction.

D. HB 2813 was enacted to begin dedicating aircraft excise tax revenues to the Aeronautics Commission Revolving Fund. Under the bill, effective July 1999, one-third of the estimated \$2 million annual revenues from the tax will be apportioned to the aeronautics fund in FY'00, while two-thirds will remain in the General Revenue fund. Beginning FY'01, two-thirds of revenues will be dedicated to the aeronautics fund. In FY'02, all revenues will be deposited in the revolving fund.

V. FUNDING SOURCES - FY'99 BUDGET

Appropriated Funds	\$251,375,377	█
Constitutional Reserve Funds	\$80,000,000	█
Fuel Taxes for County Bridges/Roads	\$15,836,000	█
Revolving Funds	\$389,060,441	█
Federal Funds	\$348,081,054	█
Total FY'99 Budget	\$1,084,352,872	

FY'99 Budget by Source

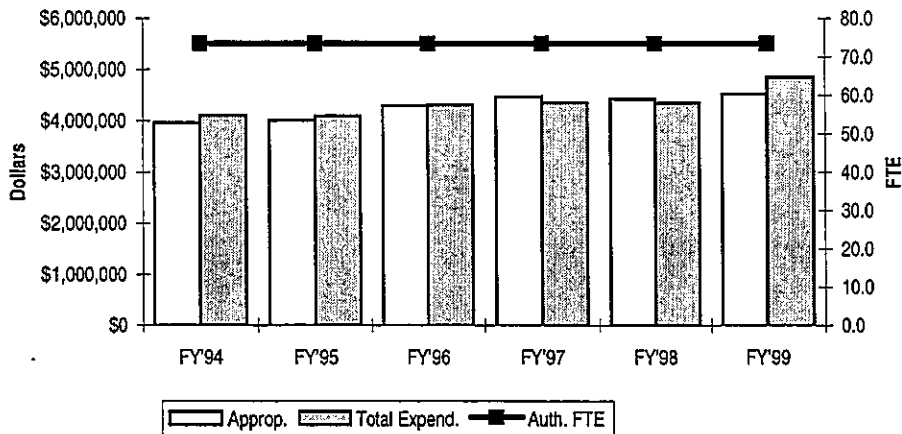


Appropriation Reference:
 HB 3050, Sections 131-133
 HB 3048, Sections 1-2
 SB 965, Section 1
 HB 1001, Sections 5-7

Expenditure Limit Reference:
 HB 3048, Section 7
 HB 1001, Section 9

Treasurer

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$3,966,100	-14.3%	\$4,110,281	-2.3%	63.1	73.5
FY'95	\$4,011,139	1.1%	\$4,100,636	-0.2%	63.5	73.5
FY'96	\$4,301,152	7.2%	\$4,318,997	5.3%	61.9	73.5
FY'97	\$4,472,433	4.0%	\$4,357,462	0.9%	60.6	73.5
FY'98	\$4,427,153	-1.0%	\$4,357,324	0.0%	57.4	73.5
FY'99	\$4,532,558	2.4%	\$4,858,996	11.5%		73.5
6 Year Change	\$566,458	14.3%	\$748,715	18.2%		
Infl. Adjusted						
6 Year Change	\$83,720	2.1%	\$231,209	5.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, appropriations were cut \$162,900 or 5% due to statewide budget reallocations, and \$500,000 by reducing direct payments for bank services charges (higher compensating balances were used to pay banks for services). SB 578 (1993) authorized new fees generating about \$40,000 annually for the agency's revolving fund.

In FY'95, the treasurer's salary was raised from \$50,000 to \$70,000; no new funds were provided. Other legislation added a committee overseeing the agency's investments, and suspended the agency's Ag and Business Link Deposit Programs.

In FY'96, \$100,654 was cut due to statewide budget reallocations, and \$375,654 was added so that the office could pay for all banking services with "hard charges" rather than compensating balances. SB 627 enacted reforms so that the Ag and Business Link Deposit programs could resume operations.

In FY'97, \$70,000 was added to replace one-time carryover that had been used to fund operations since the FY'96 budget cut.

In FY'98, at the Treasurer's request, the agency's base budget was reduced by \$75,000 due to savings the agency realized in banking fees.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	4,427,153	73.5
B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	98,200	
2. Treasurer's salary - Funds were provided for a pay increase authorized by HB 1895 (1997). Effective January 1, 1999, the State Treasurer's salary will increase from \$70,000 to \$82,004.	7,205	
Total Adjustments	<u>105,405</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>4,532,558</u></u>	<u><u>73.5</u></u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

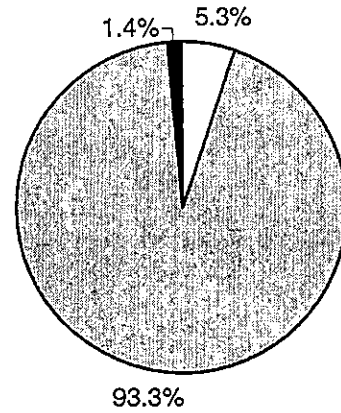
A. HB 3060, Section 6, transfers excess funds in the Unclaimed Deposit Fund for several purposes. \$206 was transferred to the Vault of the State Treasury to compensate for a cumulative shortage in the agency's cash drawer. \$153,358 in excess balance was transferred to the Special Cash Fund.

B. SB 969, Sections 2 and 3, direct the transfer of \$100,000 from the Treasurer's FY'97 appropriations to the Special Cash Fund.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

Prior Year Appropriations	\$256,682	□
General Fund Appropriations	\$4,532,558	▨
Revolving Funds	\$69,756	■
Total FY'99 Budget	\$4,858,996	



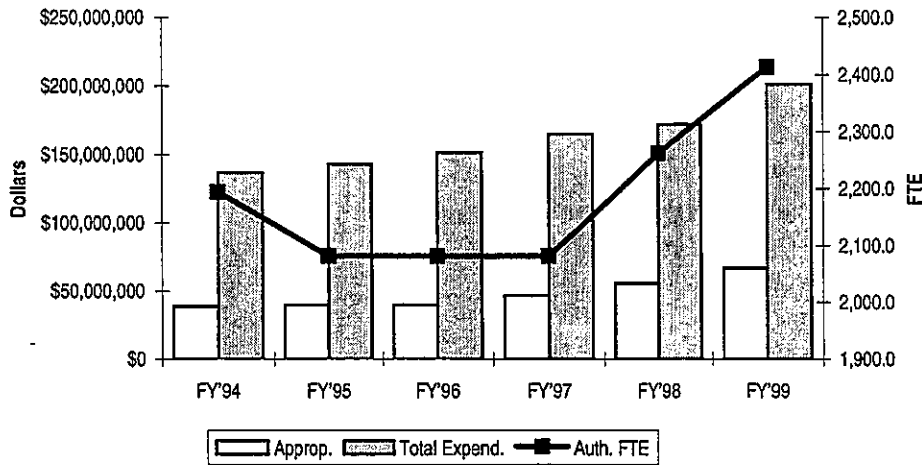
Appropriation Reference:
HB 3050, Sections 56-58
HB 3017, Section 14

Expenditure Limit Reference:
HB 3017, Sections 16-17

**SUBCOMMITTEE ON HEALTH
AND SOCIAL SERVICES**

Department of Health

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$38,630,246	-26.2%	\$136,655,038	-6.2%	1,956.0	2,194.3
FY'95	\$39,922,025	3.3%	\$142,886,994	4.6%	1,919.3	2,081.8
FY'96	\$39,915,695	0.0%	\$151,519,632	6.0%	1,933.4	2,081.8
FY'97	\$46,553,053	16.6%	\$164,952,566	8.9%	2,001.4	2,081.8
FY'98	\$55,618,457	19.5%	\$172,181,065	4.4%	2,055.4	2,262.3
FY'99	\$66,858,510	20.2%	\$201,462,120	17.0%		2,413.3
6 Year Change	\$28,228,264	73.1%	\$64,807,082	47.4%		
Infl. Adjusted						
6 Year Change	\$21,107,522	54.6%	\$43,350,430	31.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In accordance with HB 2227 (1992), most environmental functions and funding at OSDH were transferred to the newly created Department of Environmental Quality, Department of Labor, and Oklahoma Water Resources Board. For FY'94, the transfer reduced OSDH's appropriation by \$7.4 million or 14.2%, revolving funds by \$9.2 million or about 22%, federal funds by \$7.7 million or about 9%, and FTE by 402.9 or 16.4%.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	55,618,457	2,262.3

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. County Health Department Buildings - The Legislature removed one-time funding for the completion of county health department buildings in Jackson County (\$150,000) and Bryan County (\$30,000) that had been provided in the FY'98 General Appropriations bill.	-180,000	
2. Pontotoc County Sick Care Clinic - Funding that had been provided for the Pontotoc County sick care clinic was removed from the base.	-68,000	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	2,070,695	
2. Family Planning Services - The Legislature provided funding for family planning services to provide tubal ligations and vasectomies to individuals currently on the waiting list for these procedures. The agency was also encouraged to spend available carryover revenue to provide these services	120,000	
3. Abstinence Education Programs - As part of the 1996 federal Welfare Reform Act, federal matching funds were made available to the states for teen pregnancy prevention programs that followed an abstinence-only curriculum. This state appropriation will allow for a total of some \$233K in grants to be awarded.	100,000	
4. Children First Program - In FY'98, the agency phased in the Children First program statewide. With the addition of the final counties in June 1998, the program will consist of some 160 nurses and 202 total staff. The Legislature appropriated \$3.2M to annualize the existing program and \$4.7M to expand the program in FY'99. The expansion funds were accompanied by authorization for an additional 125 FTEs. The Children First program provides an intensive schedule of home visits by registered nurses to first-time mothers during pregnancy and the first two years of a child's life in an effort to improve health indicators and parenting skills and avert child abuse, unwanted repeat pregnancies and other adverse outcomes. See also SB 923, Sections 19-20; SB 924, Sections 1, 2 and 5; and HB 3065, Section 6.	7,898,849	125.0

Adjustments (cont'd.)

5. Child Abuse Prevention Funds - Additional funding was provided for child abuse prevention efforts. Of this amount, \$600,000 was deposited to the Child Abuse Prevention Fund for grants to programs designed to combat child abuse. The remaining \$100,000 went to the agency's Office of Child Abuse Prevention to add 2 FTE to help coordinate and evaluate the state's prevention strategy. See SB 923, Section 13 and SB 924, Section 6.	700,000	2.0
6. HIV Drug Program - The agency received additional funds for the AIDS Drug Assistance Program to help provide protease inhibitors to persons with HIV/AIDS.	180,000	
7. Hepatitis A Vaccine - SB 1400 adds Hepatitis A to the list of vaccines required for children attending daycare, kindergarten and Grade 7 as of the 1998-99 school year. While the cost of the vaccine for people without private insurance will be covered by the federal Vaccine for Children program, the Legislature appropriated funds to cover immunization costs for children whose private insurance will not cover the vaccine. In addition, the agency received funds to cover shipping and storage costs of both the Hepatitis A and varicella vaccine and to hire one vaccine coordinator.	350,000	1.0
8. County Health Departments - Funding was provided for construction of county health department buildings in Ardmore, Coweta, Beckham County, Atoka County, and Kiowa County.	305,000	
9. Eldercare Program - The agency received funds to annualize Eldercare programs in Kay, Cimarron, and Harper/Ellis counties.	135,000	
10. Rural Health Education Projects - The agency received \$55,000 pass-through funding for the Area Health Education Centers (AHEC) to support a health careers awareness and recruitment project for rural and medically underserved areas. The Oklahoma Primary Care Association also received \$10,000 to support its nurse practitioner program in rural and underserved areas.	65,000	
11. Perinatal Continuing Education Program - The Legislature increased support for the Office of Perinatal Continuing Education through the OU Health Sciences Center, which provides on-going education and training to hospital staff across the state. See SB 923, Section 18.	20,000	
12. Disease Intervention Programs - The Legislature increased support for programs and associations combating a number of diseases, including diabetes, sickle cell disease, end-stage renal disease and alcoholism.	66,000	
13. Dental Services - Funding for the administrative costs of a program coordinating dental services for the elderly and disabled was decreased.	-25,000	

Adjustments (cont'd.)

14. Community Outreach Programs - The Legislature increased funding for programs in Oklahoma City and Tulsa that target at-risk youth.	55,000	
15. Reduce OU Health Sciences Center Funding - In 1996, the Legislature provided an additional \$2.1M in pass-through funding to the OB-GYN Department of the OU Health Sciences Center for the cost of providing indigent care to pregnant women and children. A portion of this funding was removed from the base for FY'99. See SB 923, Section 18.	-300,000	
16. Base Reduction and Carryover - In recent years the agency has been generating consistent carryover. The Legislature opted to impose a \$236K base cut, to be taken from the agency's administrative budget. In addition, \$15,000 in one-time carryover funds from FY'98 was directed to the FY'99 budget.	-252,491	
17. Nursing Home Inspection Staff - This year's appropriation to the Health Care Authority included a \$318K increase for that agency's contract with the Health Department for nursing home survey and certification activities. This increase will allow the Health Department to hire additional nursing facility inspectors and to process information related to the Minimum Data Set.		20.0
18. Health Care Information System - HB 2868 provided for the transfer of the Health Care Information System from the Health Care Authority to the Health Department. This includes the transfer of 3 FTE positions to the Health Department. The two agencies agreed that the \$150K for these positions would be paid to the Health Department in FY'99 through an inter-agency contract.		3.0
Total Adjustments	11,240,053	151.0

C. FY'99 Appropriation

66,858,510	2,413.3
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III. GOVERNOR'S VETOES

After School Programs - The Legislature appropriated \$2,775,000 (from the Welfare Reform Initiative Fund previously vetoed in the DHS budget in HB 3035) to establish after school programs for school age youth. This funding was vetoed by the Governor (HB 3065, Section 7).





IV. OTHER ISSUES

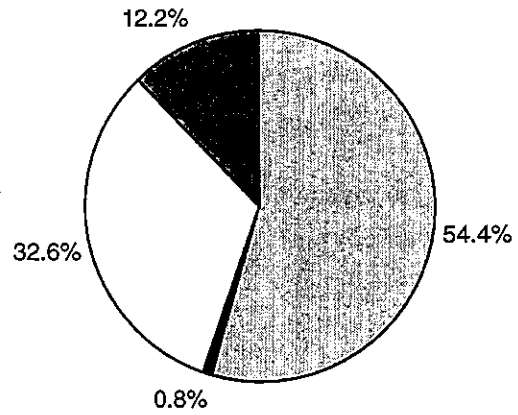
A. Family Planning Medicaid Waiver - During the 1998 legislative session, the Department began work preparing a waiver that would extend Medicaid eligibility for family planning services to women at risk of pregnancy up to 185% of the poverty limit. The Health Department will work with the Health Care Authority over the coming year to prepare a waiver application.

B. Pay Increase for SoonerStart Staff - The salary and benefit increases for the SoonerStart FTEs employed by OSDH were appropriated to the Department of Education.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

Federal Funds	\$111,461,405	
Carryover	\$1,650,000	
General Fund Appropriations	\$66,858,510	
Revolving Funds	\$24,960,409	
Total FY'99 Budget	\$204,930,324	

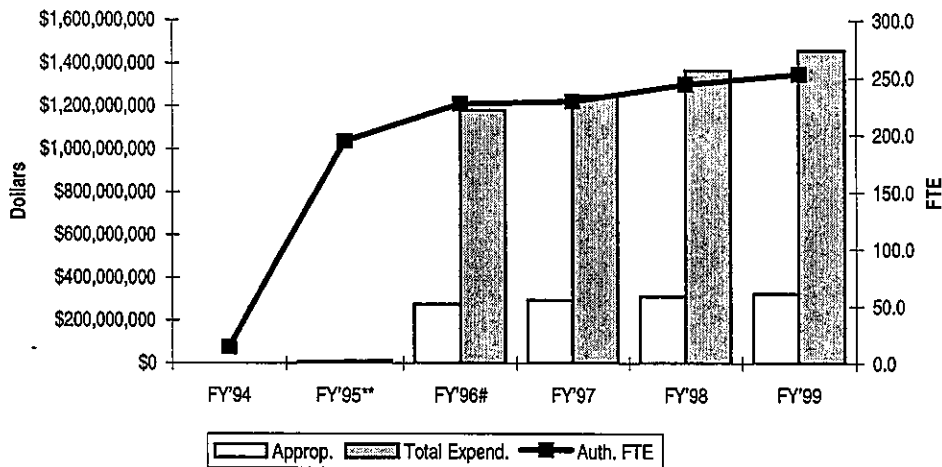


Appropriation Reference:
 HB 3050, Section 61
 SB 923, Section 8
 SB 971, Section 17
 HB 3065, Section 6

Expenditure Limit Reference:
 SB 923, Sections 9-10
 SB 971, Sections 37-38

Health Care Authority

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$241,256	* N/A	\$75,637	N/A	0.9	14.0
FY'95**	\$6,599,757	2,636%	\$11,918,344	15,657%	116.2	194.5
FY'96#	\$275,529,974	~ 4,075%	\$1,182,935,313	9,825%	207.5	227.5
FY'97	\$295,905,926	@ 7.4%	\$1,248,498,751	5.5%	218.1	229.5
FY'98	\$313,650,147	6.0%	\$1,368,541,468	9.6%	234.1	244.5
FY'99	\$325,846,050	3.9%	\$1,460,294,744	6.7%		253.5

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* HB 1573 (1993 Session) created the Oklahoma Health Care Authority (OHCA) as a new state agency. FY'94 was the first year of funding for OHCA.

** FY'95 appropriated and total budget expenditure amounts reflect the transfer of the OSDH Division of Health Care Information to OHCA on July 1, 1994 and the DHS Medical Services Division to OHCA on January 1, 1995.

FY'96 appropriation and total budget expenditure amounts reflect the transfer of the Basic Health Benefits Board from Department of Central Services to OHCA, Medicaid program expenditures from DHS to OHCA, annualization of the transfer of the DHS Medical Services Division to OHCA and other overhead expenses from DHS related to the Medicaid program.

~ Includes supplemental funding of \$3,008,000 for shortfall in Medicaid payments.

@ Includes supplemental funding of \$6,070,000 for shortfall in Medicaid payments.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	313,650,147	244.5

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	169,953	
2. Replace FY'97 Program Carryover - FY'97 carryover was used to fund the FY'98 base. This amount was replaced in the agency's FY'99 budget.	200,000	
3. Reduce FY'98 Carryover - Estimated FY'98 carryover available to fund the FY'99 budget.	-1,200,000	
4. Federal Financial Participation (FFP) Rate Change - The federal Medicaid match will increase from 70.01% to 70.51% for the first three months of FY'99; and from 70.51% to 70.84% for the final 9 months.	-3,937,936	
5. Vendor Drug Increases - Funding was provided for increases in the vendor drug program due to utilization and inflation. The amount reflects an 8.5% increase over previous year's costs less a reduction from a decline in the nursing facility census and additional revenues from the ADvantage waiver.	2,042,972	
6. SoonerCare Program Increases - The Legislature funded an increase in payments to the managed care organizations participating in the SoonerCare program. This increase reflected medical inflation, new program mandates, and above all, significant increases in the number of Medicaid deliveries and newborns covered by the health plans. See also Other Issue # E below.	3,572,761	
7. HMO Premium Tax Revenues - The agency will gain additional revenue from the HMO premium tax as a result of increased payments to managed care organizations.	-463,765	

Adjustments (cont'd.)

<p>8. Nursing Facility Rate Increases - The Legislature funded cost-of-living adjustments (COLAs) for nursing facilities and private ICFs/MR. Of this amount, \$596,725 was provided to fund a one month annualization of last year's COLA, while \$3,453,358 was for the last 11 months of FY'98.</p>	<p>4,050,083</p>
<p>9. ICF/MR Premium Tax Revenue - New funding to private ICFs/MR will be partially offset by the 6% fee assessed these providers.</p>	<p>-148,281</p>
<p>10. Wage Enhancement Recoupment Revenue - Effective May 1, 1997, nursing facilities and ICFs/MR received additional per diem reimbursement to be passed along as wage increases for LPNs, nursing aides and other required staff. This revenue was subject to regular quarterly audits to ensure that the money was spent for intended and authorized purposes. Also see Other Issue # C below. The Legislature has decreased the agency's appropriation by the amount of anticipated wage enhancement revenue that will be recouped in FY'99 based on FY'98 experience.</p>	<p>-536,892</p>
<p>11. Hospital Rate Increases - Funding was provided to annualize three months of last year's cost-of-living adjustments for the Medicaid hospital program (\$628,775) and for a rate increase for the final nine months of FY'99 (\$859,351).</p>	<p>1,488,126</p>
<p>12. Medicare Part A&B Increases - Every year on January 1st, Medicare part A (hospital) premiums and deductibles increase, as do part B (physician) premiums. Because Medicaid pays premiums, deductibles and co-pays for eligible low-income Medicare recipients, these increases are passed on to the Medicaid program. The appropriated funds are for the final 7 months of FY'99.</p>	<p>367,903</p>
<p>13. Critical Care/NICU Provider Rate Increase - Funds were appropriated to increase the rates for physicians who treat Medicaid patients in critical care and neo-natal intensive care units (NICUs). Previous low rates had resulted in a decline in physician participation, threatening access to these vital services.</p>	<p>415,516</p>
<p>14. Dental Service Rate Increase- For the second consecutive year, the Legislature approved an increase in the rates paid to dentists serving patients in the Medicaid fee-for-service program.</p>	<p>150,064</p>
<p>15. Behavioral Health Services Rate Increase - This funding will allow the agency to increase the rates paid providers of children's behavioral health services in the Medicaid fee-for-service program.</p>	<p>336,223</p>

Adjustments (cont'd.)

<p>16. Survey and Certification Contract - As the State's officially-designated Medicaid agency, the Authority must ensure that nursing facilities that serve Medicaid patients are capable of carrying out federal survey and certification requirements. The Health Care Authority contracts with the Health Department to carry out these requirements. In recent years this contract, which had not been increased in six years, has been running over budget. The increased appropriation will allow the Health Department to automate its databases and to hire some 20 additional nursing home inspectors.</p>	<p>318,949</p>
<p>17. Medicaid Expansion - SB 639, which went into effect December 1, 1997, extended Medicaid eligibility for pregnant women and children through age 14 whose family income was up to 185% of poverty. The Legislature appropriated \$3.9 million to annualize this coverage through FY'99. In addition, \$1.0 million was appropriated to extend coverage to children ages 15-18 as of October 1, 1998. Program costs were calculated based on the availability of enhanced federal matching funds under Title XXI for all children ineligible for Medicaid coverage prior to SB 639. The Governor vetoed HB 3292, which would have codified the expanded coverage through age 18, yet indicated in his veto message that he supported the inclusion of 15-17 year-olds in FY'99.</p>	<p>4,959,220</p>
<p>18. Drug Rebate Program Personnel - Due to a shortage of staff, the agency has been unable to resolve disputes with drug manufacturers over rebates in a timely and effective manner. The addition of 2 FTE is expected to bring in additional revenue in FY'99 and subsequent years.</p>	<p>-365,590 2.0</p>
<p>19. Third Party Liability Personnel - With additional staff, the agency expects to increase its recovery of TPL revenue. Due to the lengthy training process involved, revenue expectations are modest for FY'99 but are expected to increase considerably in subsequent years.</p>	<p>-29,340 3.0</p>
<p>20. Capitation Reconciliation Specialists - The Legislature authorized and funded 2 FTEs to assist with capitation reconciliation, to ensure that primary care providers and managed care organizations are paid for an accurate number of patients on a monthly basis.</p>	<p>42,125 2.0</p>
<p>21. ABD Managed Care Expansion Costs - By law, the agency is mandated to bring the non-institutionalized Aged, Blind and Disabled populations into managed care on July 1, 1999. Funding was provided to hire 2 outreach workers to help educate the ABD population and gather data, and for contracts to provide actuarial services for this population.</p>	<p>133,848 2.0</p>

Adjustments (cont'd.)

22. Fiscal Agent Operations Increase - The Legislature funded an increase in the agency's contract with its information systems provider that will cover Year 2000 system modifications and other expenses.	187,569	
23. Claims Editing System - By installing a new commercial claims editing system, the agency anticipates savings in avoided claims. One-time expenditures of \$250K in FY'99 should generate additional savings in subsequent years.	-41,075	
24. Smoking Cessation Treatment - The Legislature approved funds to provide Medicaid patients with access to smoking cessation products. SB 1331, vetoed by the Governor, had specified that authorized treatments would be limited to 10 weeks and excluded nicotine gum.	145,000	
24. Non-Sedating Antihistamines - Section 4 of SB 924 instructs the agency to make non-sedating antihistamines available to children without the prior authorization of the Medicaid Drug Utilization Review Board. This additional funding will cover the costs of anticipated increased utilization of these medications.	250,000	
25. Graduate Medical Education Payment Increase - Funding was provided to increase payments to the Colleges of Medicine in Oklahoma City and Tulsa for the cost of providing graduate medical education while treating Medicaid patients.	88,470	
26. Authorization of Attorneys - The Health Care Authority's approved budget work programs for FY'97 and FY'98 included 3 FTEs more than the FTE limit in the agency's appropriation bill. The difference involved 3 full-time attorneys employed by OHCA. The Legislature has allowed the agency to add these 3 positions to its FTE limits while adding language to the appropriation bill (SB 923, Section 4) specifying that the attorneys shall henceforth be included within the budget limits.		3.0
27. Transfer of Healthcare Information Systems Personnel - HB 2868 transferred the Healthcare Information System from the Health Care Authority to the Health Department. The three FTE positions associated with this program accompany this transfer.		-3.0
Total Adjustments	12,195,903	9.0

C. FY'99 Appropriation

325,846,050	253.5
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III. GOVERNOR'S VETOES







None.

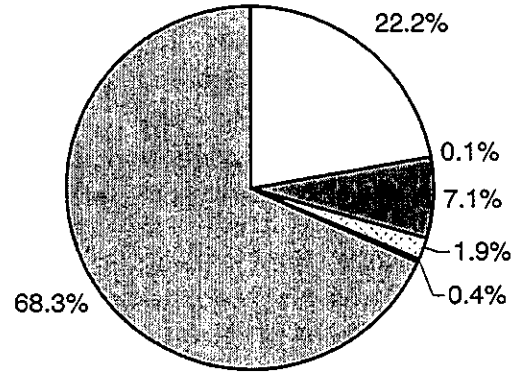
IV. OTHER ISSUES

- A. **Future Medicaid Eligibility Expansion** - Under SB 639 passed in 1997 (Title 56, Section 1010.D-E), the Health Care Authority was instructed to establish a Medicaid cost-share buy-in for families with income up to 250% of poverty, known as Phase II of SB 639, effective December 1, 1998. HB 2701 of the current session deleted that section and instead instructed the agency to study and report on a range of options for extending health insurance coverage to those who are uninsured yet currently ineligible for Medicaid. The Governor vetoed HB 2701. This action left Phase II of SB 639 intact in statute. However, the Legislature did not appropriate money specifically for this new program in FY'99 and any such program would require approval of the federal Health Care Financing Administration.
- B. **Delay of Managed Care for Long-Term Medicaid Population** - The agency requested, and SB 859 granted, a one-year postponement in the target date for shifting Medicaid recipients who are institutionalized into managed care. The new statutory deadline (Title 56, Section 1010.3) is July 1, 2000. The delay is intended to provide time to implement and evaluate the long-term care pilot project and to allow the agency to transition the non-institutionalized ABD population into managed care as of July 1, 1999.
- C. **Nursing Facility Wage Enhancement Changes** - With SB 924, the Legislature amended the statute codifying the nursing facility wage enhancement program (Title 61, Section 5022). The amendments clarified acceptable program expenditures and provided an exemption from on-going quarterly audits to facilities found to be in compliance with the program for two consecutive audited quarters.
- D. **ADvantage Program Prescription Drug Costs** - Under the terms of the ADvantage waiver administered by the Long Term Care Authority, the first three monthly prescriptions for waiver participants are charged to the Health Care Authority, while additional prescription costs are to be borne by the ADvanatge program. Through FY'98 all prescription drug costs were paid by OHCA. The agency's FY'99 budget is based on the understanding that the ADvantage program will henceforth pay for all prescriptions beyond the initial three per month.
- E. **SoonerCare Capitation Payment Changes** - A dramatic increase in FY'98 in the number of deliveries among clients in Medicaid managed care precipitated a change in payment methodology to the health plans participating in the SoonerCare program. Whereas previously the health plans were paid a capitated monthly rate for all clients based on age and sex, the plans will now receive a supplemental payment for every delivery they perform. For FY'99, the supplemental payment has been set at \$1,796. While this change was accompanied by lower capitation rates for women of child-bearing age, plans which serve a high proportion of pregnant women will be better compensated under the new formula than they would have under the old.
- F. **SB 117 amended the statutes concerning the agency's Board by staggering members' terms and setting out requirements for the appointment of consumer members to the Board.**

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$325,846,050	
Carryover	\$1,691,907	
Refunds	\$103,901,452	
Vendor Drug Rebate	\$27,656,637	
Fees	\$5,682,415	
Federal Funds	\$1,001,060,470	
Total FY'99 Budget	\$1,465,838,931	

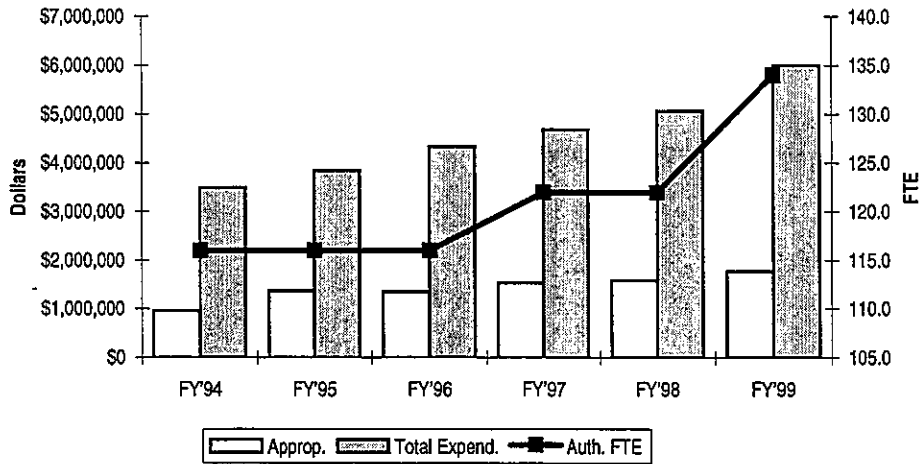


Appropriation Reference:
 HB 3050, Sections 69-70
 SB 923, Section 1
 HB 3065, Section 12

Expenditure Limit Reference:
 SB 923, Sections 2-3
 SB 971

J.D. McCarty Center for Children with Developmental Disabilities

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$960,000	95.4%	\$3,490,749	-7.3%	92.0	116.0
FY'95	\$1,372,126	42.9%	\$3,845,627	10.2%	99.2	116.0
FY'96	\$1,357,824	-1.0%	\$4,340,632	12.9%	108.0	116.0
FY'97	\$1,535,667	13.1%	\$4,685,091	7.9%	113.3	122.0
FY'98	\$1,587,182	3.4%	\$5,071,778	8.3%	122.4	122.0
FY'99	\$1,775,568	11.9%	\$6,000,685	18.3%		134.0
6 Year Change	\$815,568	85.0%	\$2,509,936	71.9%		
Infl. Adjusted						
6 Year Change	\$626,462	65.3%	\$1,870,835	53.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	1,587,182	122.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	188,386	
2. FTE Authorization (12.0 FTE) - The agency was authorized to hire up to an additional 12 FTEs to serve current and anticipated needs. These positions are expected to generate enough additional revenue to fund the salaries and benefit costs of the new employees.		12.0
Total Adjustments	<u>188,386</u>	<u>12.0</u>
C. FY'99 Appropriation	<u><u>1,775,568</u></u>	<u><u>134.0</u></u>

III. GOVERNOR'S VETOES

None




IV. OTHER ISSUES

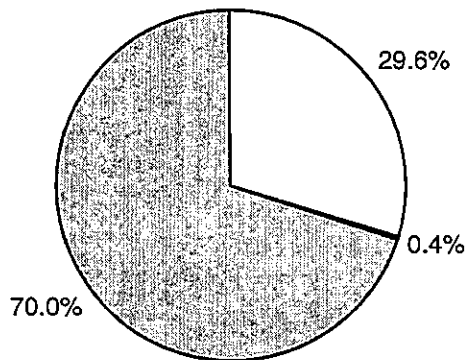
A. HB 3065 appropriated \$10.3 million to the J.D. McCarty Center through the state bond issue for the construction of a new facility, which has an estimated cost of \$12.5 million. The remaining cost of the new facility will be made up from the Center's revolving fund and from the sale of the current facility. In 1995, the Center had contracted for the sale of its current facility contingent on the legislature authorizing and funding construction of a new facility. Failing legislative authorization in 1996 and 1997, this contract was twice carried over. SB 926 made the sale of the Center's current facility contingent on the Center obtaining three new appraisals and rebidding the property (Section 1). SB 926 also authorized the Center to deposit the revenues from the sale of its current facility to its revolving fund (Section 2) and recognized the need for a new facility (Section 3).

B. The Legislature extended the agency's FTE limits by up to an additional five employees (SB 923, Section 24), provided that these employees are funded through the agency's revolving funds. This is intended to give the agency the flexibility to hire staff to expand services and serve existing clients as the need and opportunity arises.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$1,775,568	
Gifts & Bequests	\$25,000	
Revolving Funds	\$4,200,117	
Total FY'99 Budget	\$6,000,685	

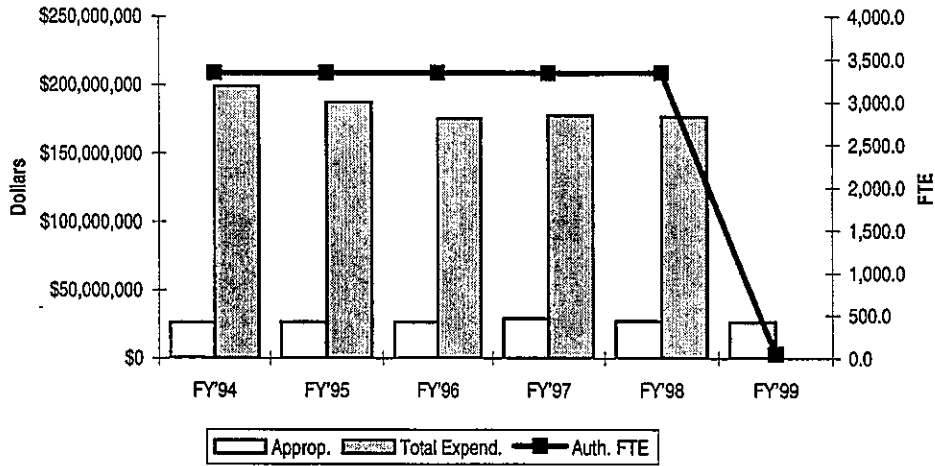


Appropriation Reference:
 HB 3050, Section 64
 SB 923, Section 21

Expenditure Limit Reference:
 SB 923, Sections 22-24

University Hospitals Authority

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE*</u>	<u>Auth. FTE*</u>
FY'94	\$26,076,815	-25.8%	\$199,305,289	-2.4%	3,093.0	3,343.5
FY'95	\$26,476,621	1.5%	\$187,604,730	-5.9%	2,878.8	3,343.5
FY'96	\$26,576,556	0.4%	\$175,688,224	-6.4%	2,420.7	3,343.5
FY'97	\$29,376,556 #	10.5%	\$178,207,986	1.4%	2,246.6	3,343.5
FY'98	\$27,146,689	-7.6%	\$177,050,979	-0.6%		3,343.5
FY'99	\$26,576,556	-2.1%	N/A	¥		50.0 ~
6 Year Change	\$499,741	1.9%				
Infl. Adjusted						
6 Year Change	-\$2,330,786	-8.9%				

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Excludes medical residents.

Includes a supplemental appropriation of \$2.8 million.

¥ With final approval of the contract that leases University Hospital as of December 1997, the Legislature no longer sets limits on total budget expenditures.

~ With final approval of the contract that leases University Hospitals as of December 1997, the only staff remaining as state employees are several administrators and the hospital's security personnel.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	27,146,689	3343.5

	<u>Total</u>	<u>FTE</u>
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. Lump Sum Employee Benefit Payment - The Legislature in 1997 authorized a one-time lump sum payment of \$225 to UHA employees in lieu of the \$37.50/month increase in the flexible benefit allowance given other state employees. This amount was removed from the agency's base.	-570,133	
<i>Other Appropriation Adjustments</i>		
1. Implementation of the agreement that leases the University Hospitals means that the hospital's staff are no longer state employees. Exceptions were made for three administrators who remain with the Authority and for security personnel.		-3,293.5
Total Adjustments	<u>-570,133</u>	<u>-3,293.5</u>

C. FY'99 Appropriation	<u><u>26,576,556</u></u>	<u><u>50.0</u></u>
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III. GOVERNOR'S VETOES

None

IV. OTHER ISSUES

A. The Legislature reappropriated \$241K of \$400K that was originally appropriated to the Authority in 1997 for the purpose of offsetting budget reductions in the Child Study Center (SB 923, Section 31).

V. FUNDING SOURCES - FY'99 BUDGET

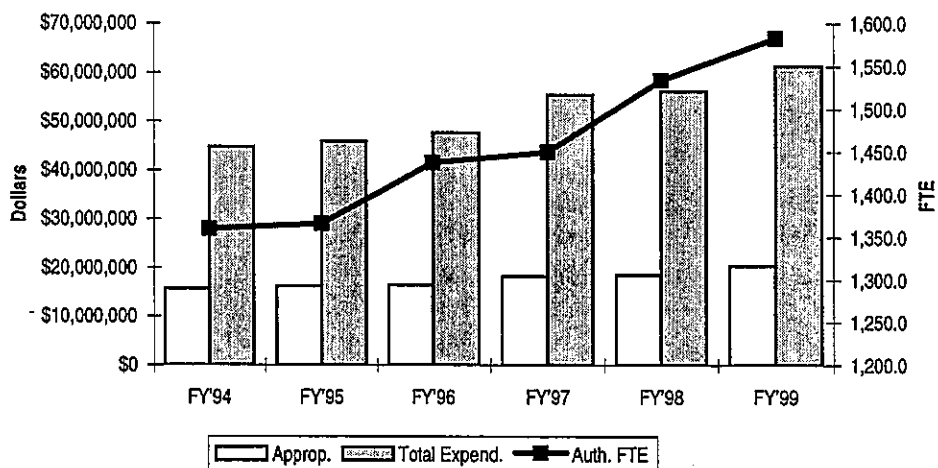
The entire FY'99 budget (\$26,576,556) is funded through General Revenue Fund Appropriations.

Appropriation Reference:
HB 3050, Section 75

Expenditure Limit Reference:
N/A

Department of Veterans Affairs

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$15,700,507	-1.6%	\$44,754,614	1.1%	1,245.6	1,360.0
FY'95	\$16,231,683	3.4%	\$45,931,555	2.6%	1,227.3	1,366.0
FY'96	\$16,526,798	1.8%	\$47,738,234	3.9%	1,246.7	1,438.0
FY'97	\$18,297,269	10.7%	\$55,518,952	16.3%	1,367.4	1,450.0
FY'98	\$18,625,135	1.8%	\$56,263,469	1.3%	1,423.9	1,534.0
FY'99	\$20,406,345 *	9.6%	\$61,358,173	9.1%		1,583.0
6 Year Change	\$4,705,838	30.0%	\$16,603,559	37.1%		
Infl. Adjusted						
6 Year Change	\$2,532,467	16.1%	\$10,068,628	22.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Reflects Special Session budget cut of \$247,850.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	18,625,135	1534.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. George Nigh Rehab Institute Aqua Therapy Pool - The Legislature in 1997 funded one-time start-up costs associated with a new aqua-therapy pool. These funds were removed from the agency's base.	-61,012	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	2,090,072	
2. New Ardmore Nursing Care Wing - The facility in Ardmore will have a completed 50-bed nursing care wing operating by December 1998. The Legislature authorized additional FTE to staff the facility and contributed a portion of the staff and operating costs for six months. The remainder of the operating costs will be covered by the agency's revolving and federal funds.	100,000	47.0
3. George Nigh Rehabilitation Institute Funding Changes - The GNRI has been generating a surplus in recent years. As a result, the Legislature chose to cut the appropriation directed to the Institute. At the same time, the Legislature authorized the GNRI to hire additional FTEs to be paid for out of revolving funds.	-100,000	2.0
Total Adjustments	2,029,060	49.0

C. FY'99 Appropriation	<u>20,654,195</u>	<u>1583.0</u>
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III. GOVERNOR'S VETOES




None.

IV. OTHER ISSUES

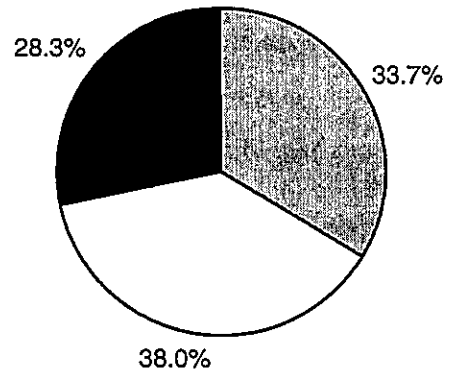
A. New Lawton Facility - The capital bond issue approved by the Legislature includes \$12 million for a new 200-bed veterans' center in Lawton (HB 3066, Section 11). This state commitment will place the Lawton facility on the Priority 1 listing for 65% federal matching funds distributed through the Home Construction Grant program. The total projected cost of the new facility is \$32 million.

B. Other ODVA Capital Improvement Projects - Federal matching funds for the additions to the Sulphur facility were approved in October 1998. An additional \$450,000 in state funds needed to complete the project will come from the agency's revolving funds. The agency anticipates that three projects currently on the federal Priority 1 list, in Claremore, Clinton, and Talihina, will be awarded federal matching funds in FY '99. These projects are expected to require an additional \$2.1M in state funds to cover cost increases since initial approval of the projects.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$20,654,195	
Revolving Funds	\$23,330,909	
Federal Funds	\$17,373,069	
Total FY'99 Budget	\$61,358,173	

FY'99 Budget by Source



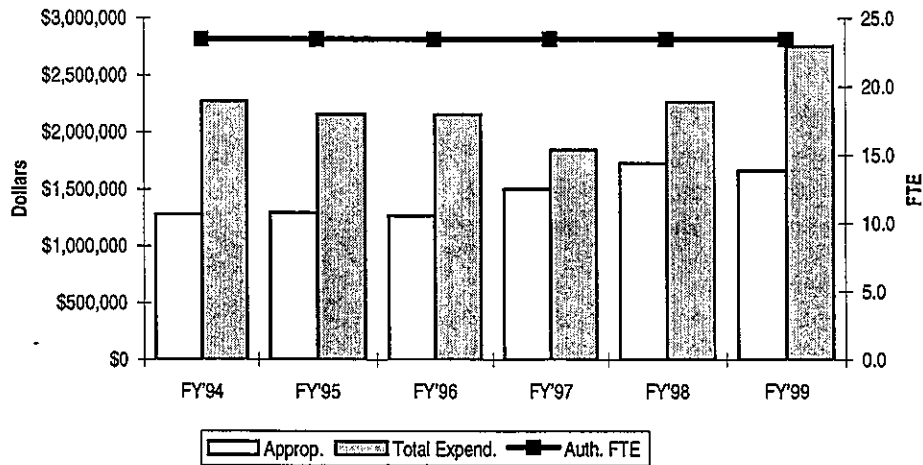
Appropriation Reference:
 HB 3050, Sections 67-68
 SB 923, Section 32

Expenditure Limit Reference:
 SB 923, Sections 33-34
 SB 971, Section 41

SUBCOMMITTEE ON HUMAN SERVICES

Commission on Children and Youth

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$1,281,333	-10.0%	\$2,276,012	-1.0%	22.9	23.5
FY'95	\$1,295,604	1.1%	\$2,158,883	-5.1%	22.4	23.5
FY'96	\$1,269,539	-2.0%	\$2,160,214	0.1%	19.0	23.5
FY'97	\$1,503,318	18.4%	\$1,847,076	-14.5%	19.5	23.5
FY'98	\$1,733,063	15.3%	\$2,268,584	22.8%	20.3	23.5
FY'99	\$1,667,706	-3.8%	\$2,756,506	21.5%		23.5
6 Year Change	\$386,373	30.2%	\$480,494	21.1%		
Infl. Adjusted						
6 Year Change	\$208,755	16.3%	\$186,913	8.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

- As of March 1, 1996 the Federal Juvenile Justice and Delinquency Prevention Grant Program was transferred to the Office of Juvenile Affairs.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	1,733,063	23.5
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. One-time funds were appropriated to contract with a consultant to meet the provisions of the Coordination of Children Services Act. These funds were removed for FY'99.	-100,000	
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	30,643	
2. The Legislature appropriated state funds to the Oklahoma Areawide Service Information System contract. These funds were directed for salary increases.	4,000	
Total Adjustments	-65,357	0.0
C. FY'99 Appropriation	1,667,706	23.5

III. GOVERNOR'S VETOES

None.

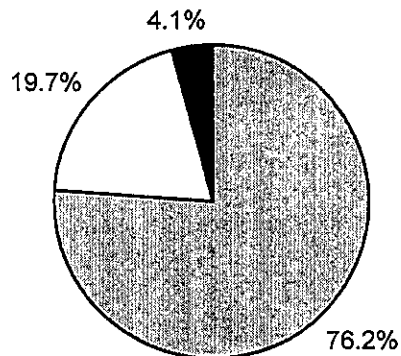
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$1,667,706	▨
Federal Funds	\$432,300	□
Carryover	\$90,000	■
Total FY'99 Budget	\$2,190,006	

FY'99 Budget by Source

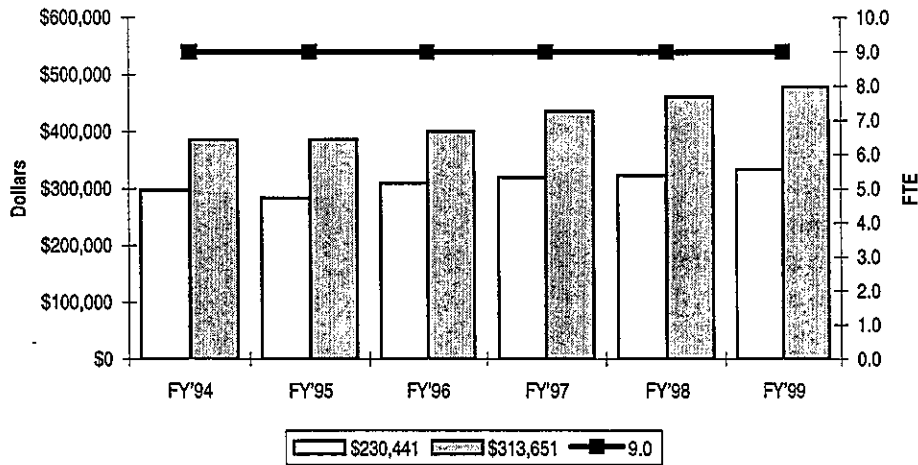


Appropriation Reference:
 HB 3050, Section 59
 HB 3030, Section 1

Expenditure Limit Reference:
 SB 971, Sections 16 and 44
 HB 3030, Sections 2-4

Office of Handicapped Concerns

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$297,745	-10.0%	\$385,828	-4.6%	8.9	9.0
FY'95	\$283,570	-4.8%	\$386,350	0.1%	8.4	9.0
FY'96	\$310,126	9.4%	\$401,269	3.9%	8.5	9.0
FY'97	\$320,160	3.2%	\$435,665	8.6%	8.7	9.0
FY'98	\$323,517	1.0%	\$461,517	5.9%	9.0	9.0
FY'99	\$333,870	3.2%	\$478,870	3.8%		9.0
6 Year Change	\$36,125	12.1%	\$93,042	24.1%		
Infl. Adjusted						
6 Year Change	\$566	0.2%	\$42,040	10.9%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	323,517	9.0
B. FY'99 Adjustments		
	Total	FTE
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	9,962	
2. The Legislature provided additional funds to increase the Executive Director's Salary by 5%.	391	
Total Adjustments	10,353	0.0
C. FY'99 Appropriation		
	333,870	9.0

III. GOVERNOR'S VETOES

None.

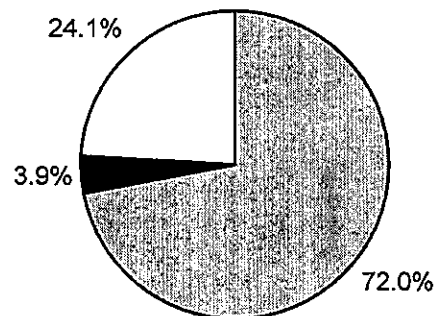
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$333,870	▨
Carryover	\$18,000	■
Federal Funds	\$112,000	□
Total FY'99 Budget	\$463,870	

FY'99 Budget by Source

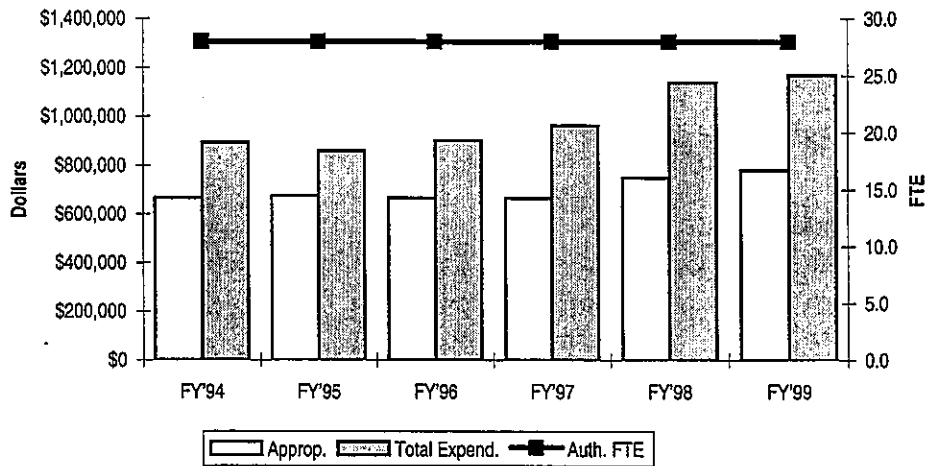


Appropriation Reference:
 HB 3050, Section 60
 HB 3030, Section 5

Expenditure Limit Reference:
 HB 3030, Sections 6-7
 SB 971, Section 42

Human Rights Commission

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$667,158	-9.9%	\$893,053	-6.4%	24.4	28.0
FY'95	\$676,634	1.4%	\$859,361	-3.8%	22.3	28.0
FY'96	\$665,373	-1.7%	\$903,086	5.1%	21.5	28.0
FY'97	\$665,373	0.0%	\$962,995	6.6%	24.0	28.0
FY'98	\$750,543	12.8%	\$1,140,163	18.4%	22.7	28.0
FY'99	\$781,430	4.1%	\$1,171,050	2.7%		28.0
6 Year Change	\$114,272	17.1%	\$277,997	31.1%		
Infl. Adjusted						
6 Year Change	\$31,046	4.7%	\$153,275	17.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	750,543	28.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	30,377	
2. Additional state funds were appropriated to increase the executive director's salary by a total of 5% (\$5,000), from \$50,200 to \$55,200. The state provided sufficient funding for a 5% increase. The Human Rights Commission is paying the remaining 5% from its revolving fund.	510	
Total Adjustments	<u>30,887</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>781,430</u></u>	<u><u>28.0</u></u>

III. GOVERNOR'S VETOES

None.

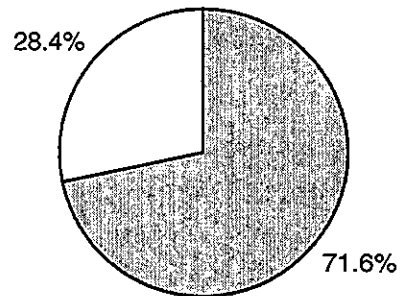
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$781,430	█
Federal Funds	\$309,200	□
Total FY'99 Budget	<u>\$1,090,630</u>	

FY'99 Budget by Source



Appropriation Reference:

HB 3050, Section 62

HB 3030, Section 8

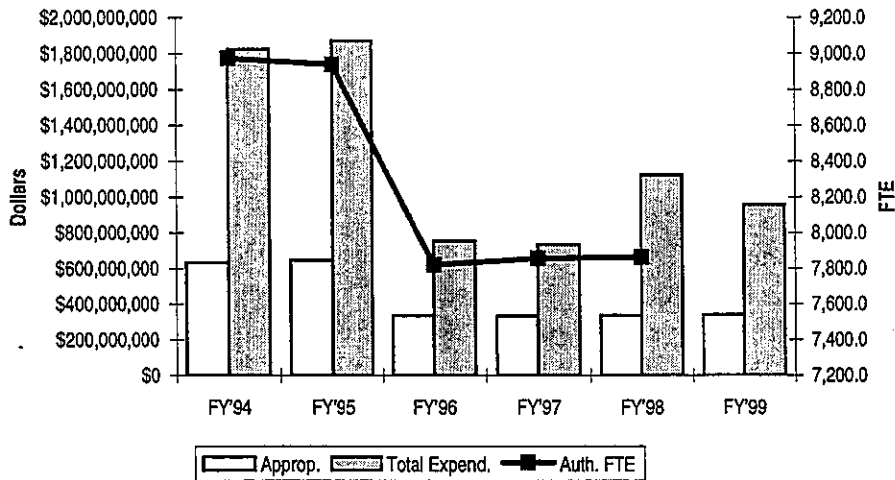
Expenditure Limit Reference:

HB 3030, Sections 9-10

SB 971, Section 45

Department of Human Services

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$632,330,288 *	-11.1%	\$1,825,301,546	-14.1%	8,847.3	8,972.8
FY'95	\$647,288,669 ^	2.4%	\$1,873,269,701	2.6%	8,813.5	8,939.6
FY'96	\$337,765,839 •	-47.8%	\$755,135,573	-59.7%	7,620.0	7,823.0
FY'97	\$332,975,784 #	-1.4%	\$734,467,370	-2.7%	7,620.0	7,856.9
FY'98	\$336,227,588	1.0%	\$1,122,568,939	52.8%	7,505.9	7,866.0
FY'99	\$339,685,593	1.0%	\$956,390,772	-14.8%		
6 Year Change	-\$292,644,695	-46.3%	-\$868,910,774	-47.6%		
Infl. Adjusted						
6 Year Change	-\$328,822,789	-52.0%	-\$970,770,835	-53.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* Reflects the transfer of Rehabilitative and Visual Services Division and Oklahoma Medical Center from DHS.

^ Reflects the transfer of the Medical Services Division payroll to the Oklahoma Health Care Authority on January 15, 1994.

• This decrease reflects the transfer of operating costs from the Division of Juvenile Justice to the newly created Office of Juvenile Affairs as well as the transfer of operating expenditures from the Medical Services Division to the Oklahoma Health Care Authority.

This decrease represents the Governor's recommendation to cut state funds for the Aid to Families with Dependent Children (AFDC) program by \$4.8 million.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	336,227,588	7,866.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	7,134,962	
<i>One-Time Funding Issues</i>		
1. The Legislature appropriated state funds to replace one-time FY'97 carryover funds used for the agency's FY'98 budget.	35,656,110	
2. The Legislature appropriated continuing state funds to replace one-time FY'97 carryover funds that were used to fund new Senior Nutrition Center programs for independent senior citizen centers. These funds will also annualize the program.	1,185,565	
3. During the FY'98 year, the agency reimbursed foster care families for day care costs. This program was funded by one-time FY'97 carryover funds. State funds were provided to replace these one-time funds.	1,928,654	
4. The Legislature appropriated state funds to replace one-time funds used to increase the Geriatric Day Care rate by \$10 from \$25/day to \$35/day.	159,075	
5. One-time funds from FY'97 carryover were used to fund an additional six geriatric day care centers during FY'98. State funds were appropriated to replace these one-time funds.	250,000	
Subtotal:	<u>39,179,404</u>	
<i>Unfunded Obligations</i>		
1. The Legislature appropriated additional state funds to fund the increase in the employee mileage reimbursement rate.	84,189	
<i>Aging Programs</i>		
1. An additional FTE was authorized to work with the National Aging Program Information System (NAPIS) reporting system program. This FTE will be responsible for coordinating and implementing an extensive client tracking and reporting system.		1.0

Adjustments (cont'd.)

2. Reductions in service delivery in the Medicare system are causing an increase in the number of cases in the Non-Technical Medical Care program. People who were once served by Medicare are now being served by the NTMC program. Additional state funds were appropriated to meet the increased caseload.	400,000	
3. The Legislature appropriated additional state funds to meet increased caseloads in the Title XIX Advantage program. This program is an alternative to institutional care for seniors.	1,147,484	
4. Additional state funds were appropriated to meet administrative costs associated with the Advantage program. Most of these costs consist of case management personnel.	720,513	
5. The Legislature appropriated state funds to expand the current Geriatric Day Care Program. These funds can provide services to up to 50 clients.	250,000	
Subtotal:	2,517,997	

Child Welfare Programs

1. The Legislature appropriated state funds to comply with HB 1241 which requires the agency create an Adoption Paternity Registry. Other requirements in the bill include expansion of adoption and paternity services. Two field representatives and one administrative assistant will be hired.	431,478	3.0
2. State funds were appropriated for anticipated growth in the Adoption Subsidy Program. The program is designed to provide families who adopt special needs children with assistance.	394,025	
3. HB 2133 requires the Office of Advocate Defender to conduct an investigation when it is alleged that a foster care parent has been threatened, harassed, or been the subject of retaliation or discrimination by a DHS employee. The Department was also provided with funding for two advocate defender positions. The new FTE will investigate complaints lodged by foster care parents against DHS staff.	84,189	2.0
4. Additional state funds were appropriated to meet increased caseload growth in the foster care program.	262,263	
5. The Legislature appropriated additional state funds to increase training for foster care parents.	72,188	
6. State funds were provided to meet the increased need for clothing for foster care children.	400,000	
7. The Legislature appropriated state funds to increase the number of Therapeutic Foster Care beds by 50.	500,000	

Adjustments (cont'd.)

- | | | |
|--|---------|-----|
| 8. HB 2826 requires the agency to implement a number of new services which include: a) a national fingerprint search of foster care families and b) aggressive behavior technique training. Funding was provided to meet these new requirements. | 716,843 | |
| 9. State funds were appropriated to provide foster liability insurance for foster care families. | 90,145 | |
| 10. The Legislature appropriated state funds and authorized 4 new FTE to implement a quality assurance program for child welfare. | 169,885 | 4.0 |
| 11. The Legislature authorized additional FTE to increase the day care licensing and monitoring staff. | | 9.3 |

Subtotal:	3,121,016	
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Developmental Disabilities:

- | | | |
|---|-----------|--|
| 1. The Legislature appropriated additional state funds to provide services to clients from the Title XIX Home and Community Based Waiver waiting list. A portion of the funds will be used to implement a waived program. The new program will enable clients families on the waiting list to choose services for the client. | 2,253,546 | |
|---|-----------|--|

Other Programs

- | | | |
|---|-----------|--|
| 1. State funds were appropriated to expand the Prader-Willie Syndrome services throughout Oklahoma (\$138,000) and to increase county office staff in Washington County. | 170,000 | |
| 2. The Legislature provided additional state funds to transfer half of the administrative responsibilities from the county offices to the state Department of Human Services. | 2,403,043 | |

Subtotal:	2,573,043	
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Revenue Adjustments:

- | | | |
|--|--------------|--|
| 1. Replace Loss of Title XX Federal Funds | 4,643,650 | |
| 2. FY'98 Carryover | (31,272,469) | |
| 3. Available state funds from double matching of CCDF/TANF | (10,607,783) | |
| 4. FMAP reduction | (969,550) | |
| 5. TANF MOE one-time match savings | (4,000,000) | |
| 6. Employee Pay Raise Excess | (100,000) | |

Subtotal:	(42,306,152)	
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Veto

- | | | |
|--------------------------------|--------------|--|
| 1. Governor's Veto of HB 3035: | (11,100,000) | |
|--------------------------------|--------------|--|

Total Adjustments	3,458,005	19.3
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III. OTHER ISSUES

A. Child Care

1. SB 1018 modified the definition of child care facility, day care home, and part-day child care program.
2. HB 2474 requires the agency to provide grants, stipends, scholarships for upgrading personnel and equipment (with specific emphasis on strengthening child care in rural areas). This bill also provides a 20 percent child care tax credit to employers who subsidize accredited day care program costs for employees or for child care businesses who are nationally accredited. This bill is effective for tax years beginning after December 1, 1998 and ending before January 1, 2004.

B. Foster Care/Adoption Bills

1. HB 2826 requires foster parents to be fingerprinted through a national FBI search for eligibility to provide foster care services. This bill also provides increased training for foster parents and gives them the right to exercise reasonable and moderate parental substitute authority over a child placed in their care.
2. HB 2829 updates the Adoption Code.
3. HB 2905 adds definitions for parental custody relinquishment and related issues. It also provides procedures that shall be followed when a child is returned to an individual named in a deprived petition.




C. Developmental Disabilities

1. HB 3280 mandates the Department of Human Services to submit a two-year plan to the Legislature outlining the agency's plans to serve those with developmental disabilities on January 1 of each year. This bill also requires a variety of statistical information including program needs, service provider information, and performance data.
2. HB 3285 states that the Department of Human Services shall not close or prohibit full-time residential care at the state-administered resource centers in Pauls Valley and Enid.

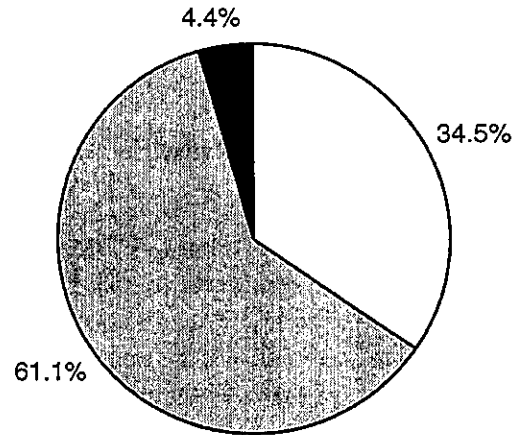
D. Other

1. SB 1163 increased the amount of funds an applicant for, or recipient of, public assistance can have in an irrevocable contract or account from \$6,000 to \$7,500.

IV. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$339,685,593	
Federal Funds	\$601,190,000	
Carryover	\$43,700,000	
Total FY'99 Budget	\$984,575,593	

FY'99 Budget by Source

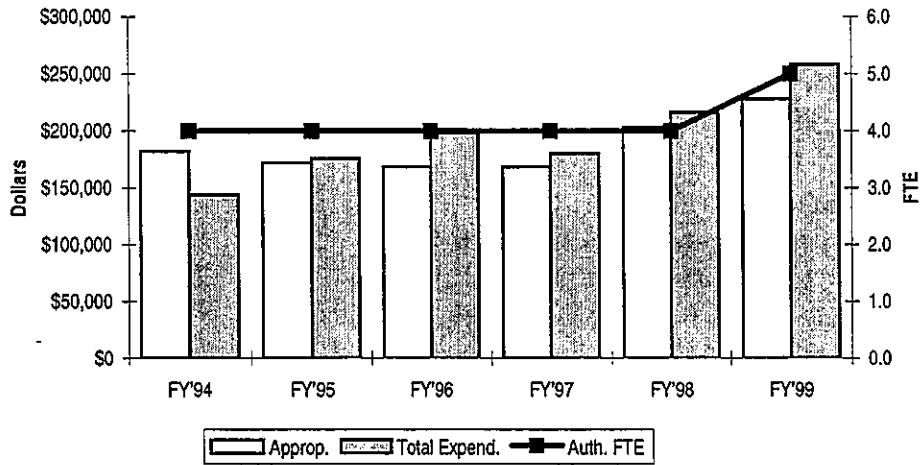


Appropriation Reference:
 HB 3050, Sections 71-72
 HB 3035, Sections 1-6
 HB 3035, Section 7 (vetoed)
 SB 971, Sections 12-13
 SB 965, Section 24
 HB 3065, Section 11
 HB 3065, Section 7

Expenditure Limit Reference:
 HB 3035, Section 8-13

Indian Affairs Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$182,056	-10.0%	\$143,787	-29.4%	2.0	4.0
FY'95	\$172,262	-5.4%	\$175,749	22.2%	3.5	4.0
FY'96	\$168,672	-2.1%	\$198,431	12.9%	3.0	4.0
FY'97	\$168,672	0.0%	\$180,216	-9.2%	3.0	4.0
FY'98	\$203,202	20.5%	\$216,252	20.0%	3.0	4.0
FY'99	\$228,009	12.2%	\$258,009	19.3%		5.0
6 Year Change	\$45,953	25.2%	\$114,222	79.4%		
Infl. Adjusted						
6 Year Change	\$21,669	11.9%	\$86,743	60.3%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	203,202	4.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	6,207	
2. The Legislature provided additional state funds for an additional FTE to be hired as of 1/1/99. This person will assist the executive director. Funds to annualize this position will be appropriated next year.	18,600	
Total Adjustments	24,807	0.0
C. FY'99 Appropriation		
	228,009	4.0

III. GOVERNOR'S VETOES

None.

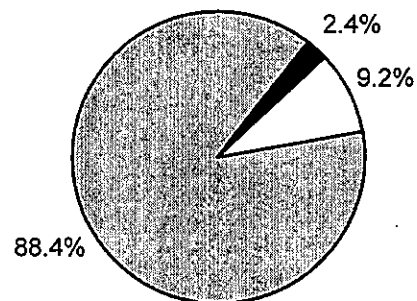
IV. OTHER ISSUES

- A. The executive director's salary was increased by 5% (\$2,031) from \$40,612 to \$42,643.
- B. HB 2737 makes all future hirings at the Indian Affairs Commission in the unclassified service.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$228,009	▨
Revolving Funds	\$6,226	■
Carryover	\$23,774	□
Total FY'99 Budget	\$258,009	

FY'99 Budget by Source

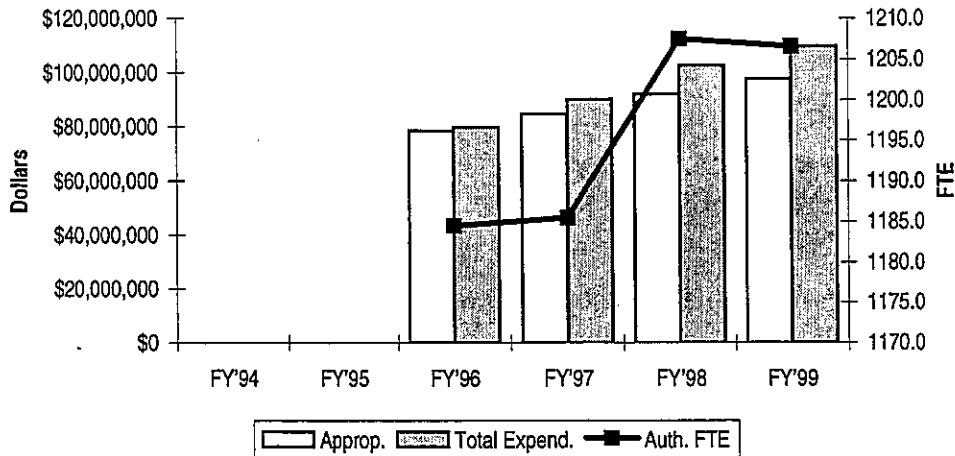


Appropriation Reference:
 HB 3050, Section 63
 HB 3030, Section 11

Expenditure Limit Reference:
 HB 3030, Sections 12-14

Office of Juvenile Affairs

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94						
FY'95	\$0		\$0			
FY'96	\$78,501,069	N/A	\$79,945,993	N/A	980.6	1,184.5
FY'97	\$84,776,594	8.0%	\$90,054,869	12.6%	1,168.0	1,185.5
FY'98	\$92,076,144	8.6%	\$102,793,368	14.1%	1,155.2	1,207.5
FY'99	\$97,824,095	6.2%	\$109,789,942	6.8%		1,206.6

¹ Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

Note: This agency was created during the 1994 Legislative Session as a result of the Oklahoma Juvenile Justice Reform Act, HB 2640. Prior to this act juvenile justice was a division under the Department of Human Services. This division became a separate agency as of July 1, 1995.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	92,076,144	1,207.5

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
<i>General Appropriations Bill Funding Adjustments</i>		
1. One-time funds for a 16-bed expansion at Lyda Cottage at the COJC medium secure facility were removed.	-70,000	
2. One-time funds needed for start-up equipment costs at the Vo-tech center at Manitou were removed.	-120,000	
3. Removal of one-time funds appropriated from the Department of Human Services for FY'98.	-4,000,000	
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	1,631,174	
2. The Legislature appropriated one-time funds from the Department of Human Services for FY'98. The Legislature replaced these funds with state funds from the General Revenue Fund.	4,000,000	
3. Additional state funds were appropriated to annualize funding for the High Impact Wilderness Program (3 months) in Wewoka. This program is a one-year program that serves 60 youth at \$119/day.	635,100	
4. The Legislature provided state funds to annualize the 4-month Thunderbird Youth Academy Program for adjudicated youth. This program serves 120 youth/year at a cost of \$99/day.	663,082	
5. The Legislature provided state funds to annualize the 16-bed expansion of Lyda Cottage at COCJ.	211,638	
6. State funds were provided for a three-month boot camp to serve 240 youth/ year at a cost of \$125/day. The actual cost is \$110/day.	-219,000	
7. Funds were provided to cover the operating cost of expanding the detention centers in Pottawatomie (6 beds) and Canadian (6 beds) counties. Federal funds from the Violent Offender Incarceration-Truth in Sentencing Grant will be used to construct the additional beds.	159,000	

Adjustments (cont'd.)		
8. Under the provisions of HB 2640 passed during the 1995 Legislative session, Oklahoma County was to construct an additional 32 detention beds. Those beds will be on-line as of January 1, 1999. State funds were provided to meet these operating costs.	465,000	
9. The Legislature provided \$517,642 to increase the total budget for the seven Community Intervention Centers.	517,642	
10. The Legislature appropriated state funds to ensure that all youth service staff shelters had at least two staff members 24 hours a day, 7 days a week. Of this amount, \$600,000 will be used to provide all youth service agencies with an operations increase.	1,300,000	
11. The Legislature appropriated an additional \$514,315 to increase detention center rates.	514,315	
12. The Legislature appropriated state funds for a youth program.	60,000	
13. Replace FY'97 Carryover Funds.	2,000,000	
14. Anticipated FY'98 Carryover.	-2,000,000	
Total Adjustments	5,747,951	0.0

C. FY'99 Appropriation	<u>97,824,095</u>	<u>1,207.5</u>
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III. GOVERNOR'S VETOES

None.





IV. OTHER ISSUES

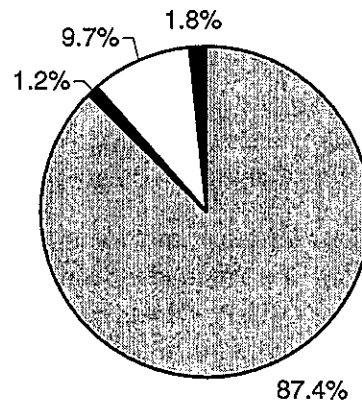
A. HB 3116 added the definition of a graduated sanctions program to the Juvenile Code. Other language contained in the law increased the number of days a court may defer a delinquency adjudication proceeding from 90 to 180 days under certain circumstances.

B. Under HB 3151 the Office of Juvenile Affairs is required to adopt uniform procedure and forms for the maintenance, transfer and release of confidential information. Other language contained in the law requires the Office of Juvenile Affairs to report the number of children assessed for literacy skills. HB 3151 also added clarifying language regarding literacy improvement programs for children who are adjudicated delinquent or in need of supervision.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$97,824,095	
Revolving Funds	\$1,328,213	
Federal Funds	\$10,821,591	
Carryover	\$2,000,000	
Total FY'99 Budget	\$111,973,899	

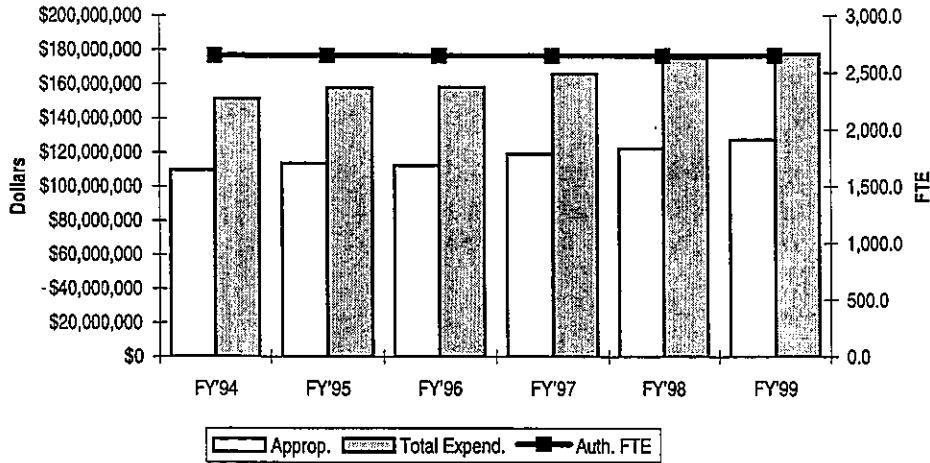


Appropriation Reference:
 HB 3050, Section 76
 HB 3035, Section 20
 SB 971, Section 15
 HB 3065, Section 8-10

Expenditure Limit Reference:
 HB 3035, Sections 21-27
 SB 971, Sections 40-51

Department of Mental Health and Substance Abuse Services

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$109,781,931	-2.9%	\$151,479,851	-0.4%	2,410.6	2,651.0
FY'95	\$113,643,722	3.5%	\$157,823,461	4.2%	2,285.0	2,651.0
FY'96	\$112,359,946	-1.1%	\$158,399,233	0.4%	2,344.7	2,651.0
FY'97	\$119,225,738	6.1%	\$166,158,346	4.9%	2,282.0	2,651.0
FY'98	\$122,491,410	2.7%	\$175,405,475	5.6%	2,261.0	2,651.0
FY'99	\$127,593,452	4.2%	\$177,610,626	1.3%		2,651.0
6 Year Change	\$17,811,521	16.2%	\$26,130,775	17.3%		
Infl. Adjusted						
6 Year Change	\$4,222,226	3.8%	\$7,214,418	4.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. Excludes intra-agency payments. The FY'99 figure is an estimate of anticipated expenditures.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	122,491,410	2,651.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. The agency received one-time funds for FY'98 to repair a roof at Griffin Hospital in Norman. These funds were removed for FY'99.	-190,000	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	3,335,042	
2. Legislation (HB 3306) that provides reimbursement for sheriffs in non-metropolitan counties was passed. For FY'98 sheriffs will be reimbursed at a rate of 10¢/mile. The Legislature provided state funds to meet FY'98 projected costs for this new Legislation.	75,000	
3. The Legislature provided funds to meet both the increased cost and increased need for new generation anti-psychotic and anti-depressant medications.	300,000	
4. The Legislature provided additional state funds for four domestic violence programs: Seminole, Sallisaw, Okmulgee, Claremore, and McAlester.	450,000	
5. The Legislature provided state matching funds for a regional Alcohol Education Center at the OU Health Sciences Center. This center will conduct research and present reports on the effects of alcohol and substance abuse in Oklahoma.	100,000	
6. The Legislature provided an additional \$50,000 to the Fetal Alcohol Center located at Northcare Community Mental Health Center.	50,000	
7. Additional state funds were provided to replace lost federal funds to the advocacy group, Oklahoma Alliance for the Mentally III. Of the amount appropriated, \$30,000 is for the Tulsa Alliance for the Mentally III.	100,000	

Adjustments (cont'd.)		
8. The Legislature provided state funds to replace a reduction in federal funds for an alcohol/substance treatment center at Eagle Flight/New Destiny.	200,000	
9. State funds were appropriated to the Arbuckle Hospital Detoxification Center.	32,000	
10. The Legislature provided additional state funds for a satellite center for the Carl Albert Community Mental Health Center.	50,000	
11. One-time state funds were provided to continue repairing a roof at Griffin Memorial Hospital.	100,000	
12. Additional state funds were appropriated to expand drug courts across the state. These funds came from the Rainy Day Fund.	500,000	
Total Adjustments	<u>5,102,042</u>	<u>0.0</u>

C. FY'99 Appropriation	<u><u>127,593,452</u></u>	<u><u>2,651.0</u></u>
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

A. SB 927 contains two major provisions:

1. Exempts agency contracts from competitive bidding through the end of FY'99.
2. Reimburses sheriffs in 75 counties (all but OK and Tulsa) for transportation costs associated with mental health patients.

November 1, 1998 to June 30, 1999 - 0.10/mile

July 1, 1999 to June 30, 2000 - 0.20/mile

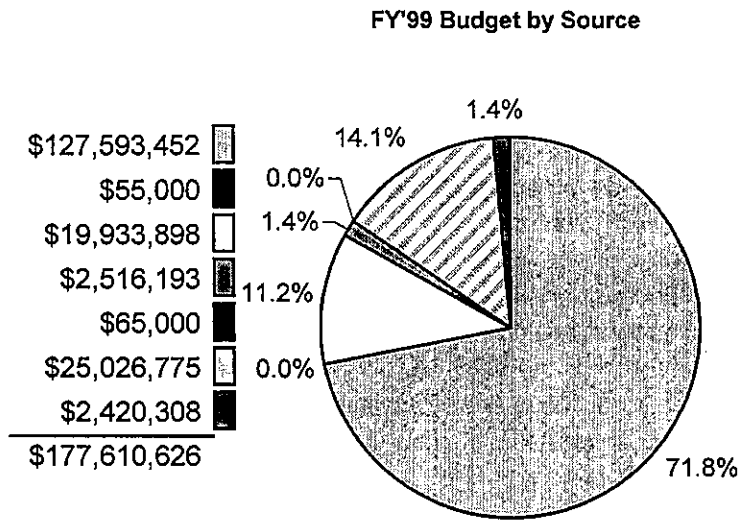
On and after July 1, 2000 the mileage reimbursement according to the State Travel Reimbursement Act (currently 32.5 cents/mile).

B. HB 1303 allows the Commissioner of Mental Health and Substance Abuse Services to contract directly for services related to conferences and training.

C. HB 3108 directs the agency to compile a report related to its management information needs, to be submitted to the Governor and the Legislature.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$127,593,452
Drug Abuse Education & Training	\$55,000
Revolving Funds	\$19,933,898
Intra-Agency Reimbursement Fund	\$2,516,193
Group House Loan Revolving	\$65,000
Federal Funds	\$25,026,775
Carryover	\$2,420,308
Total FY'99 Budget	\$177,610,626

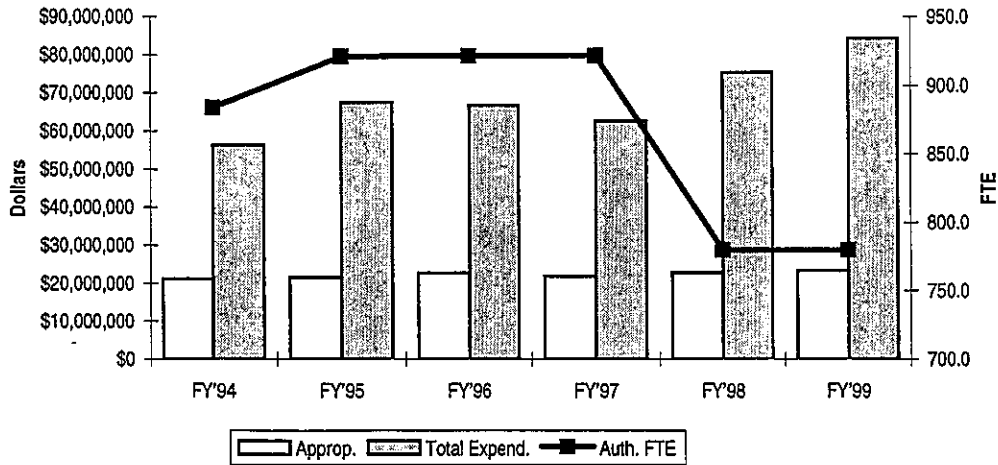


Appropriation Reference:
 HB 3050, Section 65-66
 SB 923, Section 25
 SB 965, Section 23
 SB 971, Section 14

Expenditure Limit Reference:
 SB 923, Sections 26-29

Department of Rehabilitation Services

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$21,153,177	-8.3%	\$56,450,103	0.5%	823.2	884.0
FY'95	\$21,627,399	2.2%	\$67,488,470	19.6%	907.0	921.0
FY'96	\$22,718,385 §	5.0%	\$66,851,158	-0.9%	879.0	922.0
FY'97	\$21,895,133	-3.6%	\$62,723,480	-6.2%	899.5	922.0
FY'98	\$22,774,247	4.0%	\$75,449,310	20.3%	716.4	780.0
FY'99	\$23,368,751	2.6%	\$84,400,000	11.9%	780.0	780.0
6 Year Change	\$2,215,574	10.5%	\$27,949,897	49.5%		
Infl. Adjusted 6 Year Change	-\$273,307	-1.3%	\$18,960,905	33.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

§ During the 1996 Legislative Session the Legislature appropriated an additional \$1.5 million in supplemental funds to the agency. Due to a dramatic increase in caseload the agency had to terminate services to new clients in December of 1995. This supplemental appropriation allowed the agency to provide services to clients categorized in Priority Groups 1 and 2 for the last quarter of FY'96. The agency will be able to continue to provide services to new clients in Priority Groups 1 and 2 during FY'97.

- The Legislature exempted 180 FTE from the agency FTE limit. These FTE are in the Disability Determination Division which is 100 percent federally funded. There are also three executive interns that are exempt from the agency's FTE budget limit.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	22,774,247	780.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. One-time funds for the purchasing of vehicles was removed from the agency's budget.	-156,100	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	553,233	
2. The Legislature provided state funds to increase the executive director's salary by 5%.	1,371	
3. Additional state funds were provided on an ongoing basis for the replacement of vehicles throughout the state.	156,000	
4. State funds were appropriated for the purchase of Braille books for the School for the Blind in Muskogee. These funds will become a part of their base budget.	40,000	
Total Adjustments	594,504	0.0

C. FY'99 Appropriation	<u>23,368,751</u>	<u>780.0</u>
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III. GOVERNOR'S VETOES

None.

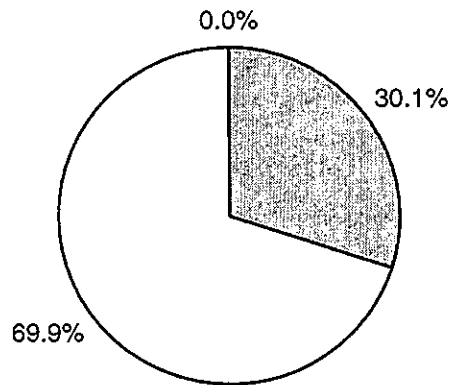
IV. OTHER ISSUES

- A. The Legislature provided one-time funds through the bond issue (HB 3065, Section 19) for both the School for the Deaf and the School for the Blind. An additional \$6.75 million was provided to each of the schools for capital improvements.
- B. HB 2524 authorized the Department of Rehabilitation Services to purchase passenger vehicles.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$23,368,751	
Federal Funds	\$54,260,919	
Interpreter Certification Fund	\$5,770	
Total FY'99 Budget	\$77,635,440	



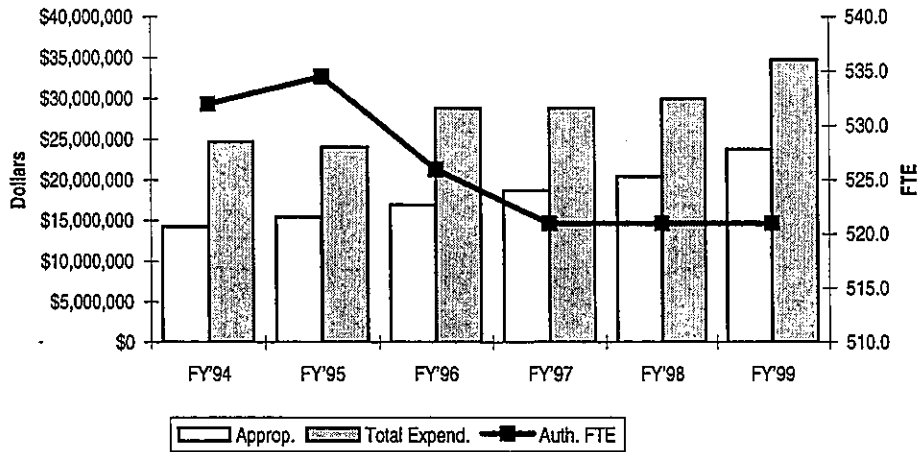
Appropriation Reference:
HB 3050, Sections 73-74
HB 3035, Section 14
HB 3065, Section 19

Expenditure Limit Reference:
HB 3035, Sections 15-19
SB 971, Section 43

**SUBCOMMITTEE ON NATURAL RESOURCES AND
REGULATORY SERVICES**

Department of Agriculture

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$14,275,751	-10.5%	\$24,692,994	6.1%	495.8	532.0
FY'95	\$15,421,137	8.0%	\$24,033,330	-2.7%	477.2	534.5
FY'96	\$16,943,176	9.9%	\$28,824,994 @	19.9%	473.2	526.0 +
FY'97	\$18,752,231 #	10.7%	\$28,858,384	0.1%	509.0	521.0 ^
FY'98	\$20,406,235 *	8.8%	\$29,929,709	3.7%	508.3	521.0
FY'99	\$23,772,700 ~	16.5%	\$34,772,429	16.2%		521.0
6 Year Change	\$9,496,949	66.5%	\$10,079,435	40.8%		
Infl. Adjusted						
6 Year Change	\$6,965,046	48.8%	\$6,376,010	25.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

@ FY'96 Total Budget expenditures includes \$977,556 for expenses and reimbursements for extreme wildfire fighting.

+ The Department of Agriculture requested a reduction of its authorized FTE limit by 8.5 positions through the elimination of unfunded positions in the Animal Industry, Laboratory, and Forestry Divisions.

Includes \$1,600,000 appropriated during 1996 Legislative Session from the Constitutional Reserve Fund for Rural Fire Departments. Funding was expended in the fourth quarter of FY'96.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency for FY'97. The Department of Agriculture was able to reduce their authorized FTE limit by 5.0.

* Includes supplemental appropriation of \$182,676.

~ Includes \$125,000 appropriated from the Constitutional Reserve Fund.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	20,406,235	521.0
Supplemental Funding - SB 963 provided for supplemental funding to implement the additional duties imposed on the agency by the Governor's executive orders and the provisions of HB 1522 (1997 Legislative Session). The agency utilized the resources to hire full-time staff and purchase equipment.	182,676	
Revised FY'98 Appropriation	20,588,911	

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. Removal of one-time expenditures for the following: Portable Fire Communications Center (\$32,000), Mobile Rural Fire Training Center (\$70,000), Ag in the Classroom National Conference (\$25,000), Rural Fire Equipment Revolving Fund (\$253,723), and Boll Weevil Eradication Activities (\$750,000).	-1,205,723	
2. Removal of supplemental funding for the Water Quality Services Division (see Appropriation Adjustment #6).	-182,676	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	753,554	
2. 80/20 Match Program. Funding for this program increased to provide vital rural fire projects and equipment purchases throughout the state.	1,178,250	
3. Rural Fire Coordinators. Funding was appropriated to the Department to increase the salaries of the Rural Fire Coordinators across the state. Further, the minimum annual salary was established at the amount of \$35,000.	177,250	
4. Rural Fire Training Centers. As part of an effort to increase the operational readiness and safety of the State's volunteer firefighters, funding was provided to the Vocational-Technical Education Department through the Department of Agriculture for the construction of the Afton and Poteau Fire Service Training Centers.	656,022	
5. Rural Firefighters Pension Fund. SB 942 authorizes the establishment of the Rural Firefighters Pension Fund. The Legislature appropriated \$50,000 for the funding of the program.	50,000	

Adjustments (cont'd.)

6. The Water Quality Services Division is tasked with regulating the confined animal feeding operations (CAFOs) in Oklahoma as provided by law and agency rulemaking. The funding annualizes the FY'98 supplemental appropriation.	270,000	
7. Forestry Services Division. The funding supplements current base appropriations to offset declining revenues and budget shortfalls. Specifically, the funding will be dedicated to increased personnel costs, critical facility and equipment maintenance and purchases, as well as wildfire protection.	1,132,112	
8. Animal Damage Control. Additional funding will address the increase in citizen complaints pertaining to beaver infestation problems. The funding provides for two additional staff, equipment, and operating costs.	145,000	
9. Retired Educators for Agricultural Programs (REAP). The program encourages agricultural education opportunities for minority students. The funding will expand the operations of the program. For FY'99, the cost of the program totals \$60,000.	25,000	
10. IFMAPS. The OSU Intensive Financial Management and Planning Support (IFMAPS) program provides free financial planning for ranch and farm families. The increased funding will provide for additional equipment and operations. For FY'99, the cost of the program totals \$147,562.	30,000	
11. Rural Development Council (RDC). The funding will allow the Council to operate on a daily basis to coordinate rural assistance programs and services.	30,000	
12. Fire Ant Research. Created under the provisions of SB 2914, the funding will assist OSU conduct research, write grants, and promote public awareness and public education programs, as well as attract federal dollars for fire ant research and management. The funding was provided through a Rainy Day appropriation.	125,000	
Total Adjustments	3,183,789	0.0

C. FY'99 Appropriation

23,772,700	521.0
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

- A. SB 1170, known as the "poultry bill", creates the Oklahoma Registered Poultry Feeding Operations Act of 1998. The bill regulates the state's growing poultry industry. Under the act, poultry operations are required to register with the Department. Registration requirements include the production of Animal Waste Management Plans and Best Management Practices. The bill also creates the Oklahoma Poultry Waste Transfer Act to encourage the transfer of poultry waste out of environmentally sensitive watersheds and vulnerable aquifers. Further, the bill creates the Oklahoma Poultry Waste Applicators Certification Act, which prohibits citizens from applying poultry waste without a certificate. The act requires all applicators to receive nine hours of course credit on Best Management Practices from the Oklahoma State University Cooperative Extension Service. Poultry corporations, or "Integrators", agreed to pay \$150,000 the first year and \$50,000 for subsequent years for this educational training.
- B. SB 1175, known as the "hog bill", lifts the one-year moratorium placed on swine facilities under the provisions of HJR 1093, passed during the 1998 Legislative Session. The bill provides for enhanced regulation of the swine industry in Oklahoma. The bill prohibits the construction or expansion of new swine facilities pending the Department's review and approval; provides for uniform statewide setback requirements from residential areas; requires the establishment of an Odor Abatement Plan; and requires the installation of leak detection systems and monitoring wells around liquid waste retention lagoons. Further, the bill establishes a fee schedule for those facilities operating with an animal waste retention lagoon. The fee will prospectively generate approximately 50 percent of the cost of regulation.
- C. SB 2914 develops a strategy to combat fire ants in the state. The bill creates the Fire Ant Research and Advisory Committee to make recommendations to the Department of Agriculture pertaining to fire ant research, communication with other infested states, and management of fire ant infestation problems. The bill directs the Department of Agriculture to work with the Oklahoma State University in a coordinated effort to fight the fire ants. An appropriation of \$125,000 was made available from the Constitutional Reserve (Rainy Day) Fund for this purpose.
- D. A Boll Weevil Eradication Plan to benefit the Oklahoma Cotton Industry was addressed in HB 2487. This bill requires the Department of Agriculture to continue the determination of the scope of boll weevil infestation and to evaluate existing boll weevil eradication plans. The legislation expands the powers of the Oklahoma Boll Weevil Eradication organization to develop, implement, and fund an eradication program with the additional authority to issue bonds and receive loans. The Organization received a Capital Improvement Bond appropriation in the amount of \$3,000,000 for current and continued operations.
- E. SB 46 expands the definition of "eggs" to include egg products manufactured from raw eggs and egg products intended for human consumption. This act also regulates the ambient temperature standards for the storage and transportation of eggs, provides information to the consumers on the quality of eggs, and lowers the Oklahoma shell egg producer/packer fees from \$.004 to \$.003 per egg. The positive net fiscal impact of the bill is estimated to be approximately \$2,000.
- F. HB 2358 authorizes the Department to create the Oklahoma Dairy Committee to act as an advisory body to the agency.






G. HB 2823 creates the Oklahoma Task Force on Agricultural Cooperatives and requires the Department of Agriculture to provide staff support for the Task Force as necessary.

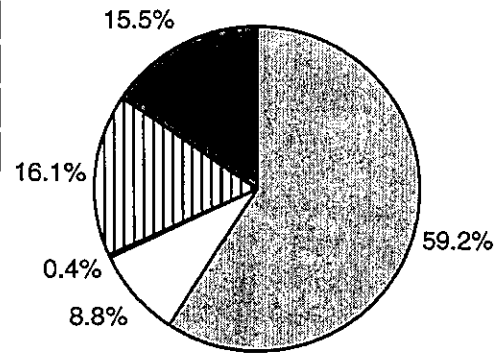
H. For FY'99, the Department consolidated various legal functions of the Department by creating the Legal Services Division. The general revenue appropriation to the Division totals \$956,535. NOTE: The Division is funded through existing base appropriations.

I. The Department was authorized the declassification of three positions: Administrator for Human Resources, Director of Administrative Services, and Water Quality Consumer Complaint Coordinator.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations FY'99	\$20,597,700	
General Revenue (Cash) FY'99	\$3,050,000	
Constitutional Reserve Fund	\$125,000	
Revolving Funds	\$5,607,623	
Federal Funds	\$5,392,106	
Total FY'99 Budget	\$34,772,429	

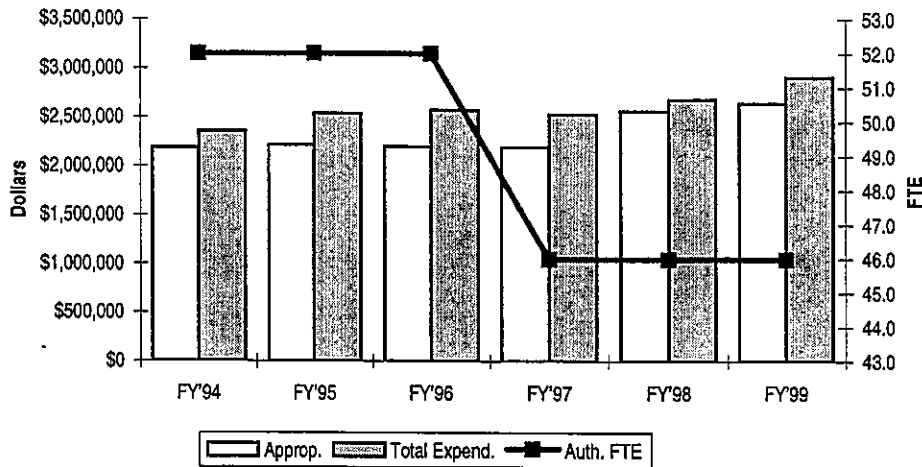


Appropriation Reference:
 SB 934, Sections 1-9, and 11-17
 SB 965, Section 20
 SB 971 Section 54
 HB 3050, Sections 77-78

Expenditure Limit Reference:
 SB 971 Section 54

Banking Department

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$2,187,427	-13.8%	\$2,357,584	-0.1%	43.0	52.0
FY'95	\$2,215,869	1.3%	\$2,537,303	7.6%	43.1	52.0
FY'96	\$2,196,379	-0.9%	\$2,576,911	1.6%	42.0	52.0
FY'97	\$2,196,379 #	0.0%	\$2,532,700	-1.7%	43.0	46.0 ^
FY'98	\$2,567,183	16.9%	\$2,685,099	6.0%	40.1	46.0
FY'99	\$2,646,501	3.1%	\$2,910,426	8.4%	40.3	46.0
6 Year Change	\$459,074	21.0%	\$552,842	23.4%		
Infl. Adjusted						
6 Year Change	\$177,209	8.1%	\$242,868	10.3%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

The FY'97 appropriation reflects no change in funding from FY'96 due to the veto of the Governor in the amount of \$313,140.

^ The reduction in authorized FTE was requested by the Subcommittee of each agency. The Department of Banking was able to reduce their FTE authorization limit by 6.0.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	2,567,183	46.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	79,318	
Total Adjustments	79,318	0.0
C. FY'99 Appropriation	2,646,501	46.0

III. GOVERNOR'S VETOES

None.

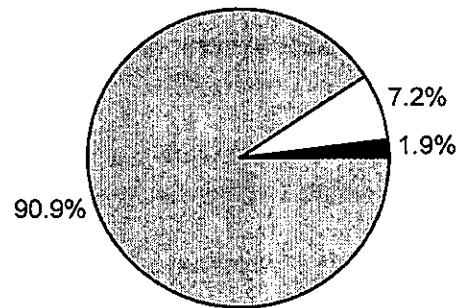
IV. OTHER ISSUES

HB 2894 creates the Multi-State Trust Institutions Act. According to the provisions of the Act, once the in-state trust operations submit the appropriate applications and filing fees, they are authorized to operate multiple offices in the state as well as other states. Further, the bill permits out of state trust institutions to operate multiple offices in Oklahoma following the submission of the appropriate applications and the payment of the state corporate franchise tax.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$2,646,501	
Banking Department Revolving Fund	\$209,723	
Cemetery Merch. Trust Act Rev. Fund	\$54,202	
Total FY'99 Budget	\$2,910,426	

FY'99 Budget by Source

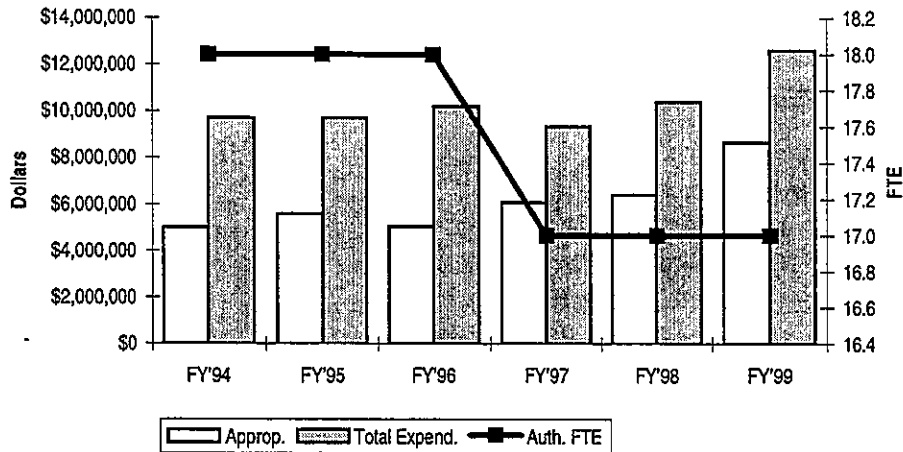


Appropriation Reference:
 SB 930, Sections 1-3
 HB 3050, Section 89

Expenditure Limit Reference:
 SB 930, Section 2

Conservation Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$5,019,135	-5.9%	\$9,713,950	16.3%	14.9	18.0
FY'95	\$5,596,347 *	11.5%	\$9,711,603	0.0%	14.8	18.0
FY'96	\$5,059,032	-9.6%	\$10,220,852	5.2%	14.8	18.0
FY'97	\$6,081,236	20.2%	\$9,337,078	-8.6%	15.0	17.0 ^
FY'98	\$6,425,381 #	5.7%	\$10,417,077	11.6%	16.0	17.0
FY'99	\$8,663,416	34.8%	\$12,617,082	21.1%		17.0
6 Year Change	\$3,644,281	72.6%	\$2,903,132	29.9%		
Infl. Adjusted						
6 Year Change	\$2,721,587	54.2%	\$1,559,354	16.1%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* The FY'95 appropriation includes \$600,000 appropriated from the Constitutional Reserve Fund for watershed maintenance and safety.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency for FY'97. The Conservation Commission was able to reduce their authorized FTE by 1.0.

Includes supplemental appropriation of \$100,000.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	6,425,381	17.0
Supplemental Appropriation - Funding was provided to allow for emergency repairs to begin on the Fairfax Lake Municipal Dam. The cost of the construction and repairs totaled approximately \$500,000.	100,000	
Revised FY'98 Appropriation	6,525,381	17.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. Funding for the FY'98 Supplemental Appropriation was removed.	-100,000	
2. One-time funding for the Outdoor Learning Center (\$50,000) and district operations (\$30,000) was removed.	-80,000	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	268,035	
2. Cost Share Program. The Legislature funded the Cost Share and Incentive Program through the Constitutional Reserve Fund (Rainy Day Fund). The program will enable the 88 Conservation Districts to address non-point source animal waste management, water quality, and soil conservation. As a result of the severe 1998 drought conditions in Oklahoma, the Commission provided a portion of the Cost-Share funding to assist farmers and landowners construct and clean out ponds.	1,750,000	
3. Geographic Information Systems (GIS). In cooperation with the State GIS Council, OCC will receive matching funds from the USDA Natural Resources Conservation Service, the Farm Service Agency, and the U.S. Geological Survey. The total cost of the digital orthophotos equals \$4.52 million, with 25% (\$1.13 million) coming from each partner over a three (3) year period. The program's users will include state and federal agencies, cities, counties, universities, private businesses, and soil scientists. The funds will be utilized to scan and digitize aerial photos of each county. The orthophotos will be made available via OneNet and CD technology. <i>This appropriation represents the 1st appropriation of a 3-year program.</i>	300,000	
Total Adjustments	2,138,035	0.0

C. FY'99 Appropriation	8,663,416	17.0
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

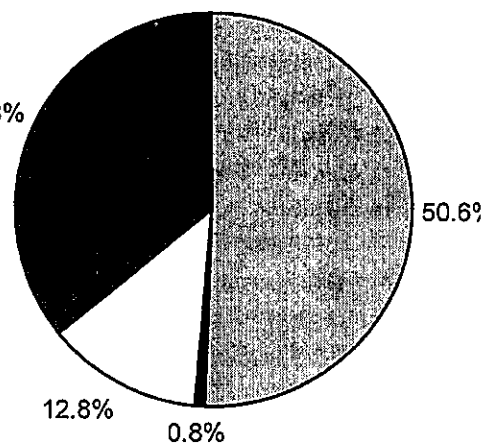
A. HB 3299, authored by Representative Pope and Senator Price, establishes the purpose and mechanism for the implementation of the Cost-Share Program. The Cost-Share Program is intended to assist local landowners carry out Best Management Practices (BMP) on the land to benefit the public through the prevention or reduction of soil erosion and non-point source pollution. The bill creates the Cost-Share Fund to disburse monies to the Conservation Districts for local projects. The Legislature appropriated \$1,750,000 through the Constitutional Reserve Fund (Rainy Day Fund) for this purpose.

B. HB 2277, the Thistle Eradication Bill of 1998, provides for the eradication of noxious weeds in every Oklahoma county. The bill mandates that the Conservation Districts publish a notice in general circulating newspapers for at least two (2) consecutive weeks prior to the beginning of the thistle growth cycle. The public notices will state that thistles are a public nuisance, and that it is incumbent upon the landowners to eradicate the thistles growing on their property. In addition, the notices will provide a listing of technical resources available. Upon the request of the landowners, an Oklahoma State University extension agent will inspect the type of thistle infestation on the property, and determine the appropriate eradication method. Further, the Conservation District will provide technical assistance upon request.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$6,913,416
Revolving Funds	\$104,579
Rainy Day Funds	\$1,750,000
Federal Funds	\$4,899,087
Total FY'99 Budget	<u>\$13,667,082</u>

FY'99 Budget by Source

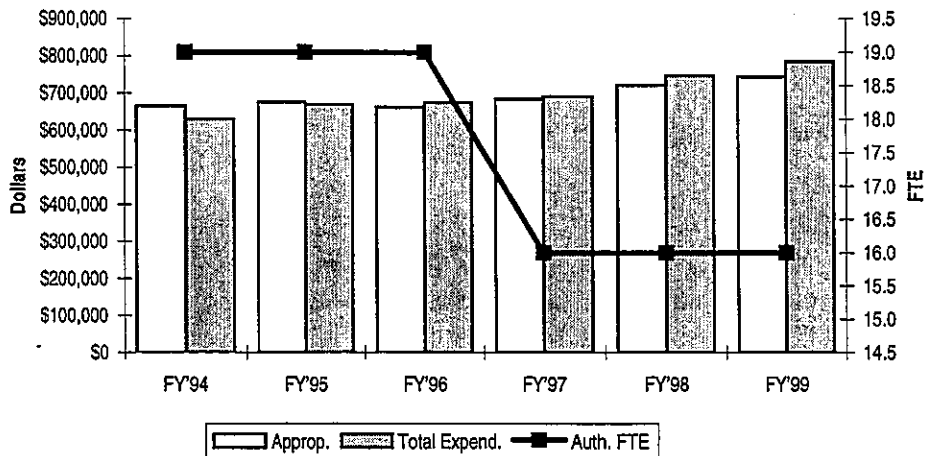


Appropriation Reference:
HB 3025, Sections 1-4
SB 965, Section 21
HB 3050, Section 79

Expenditure Limit Reference:
HB 3025, Section 2

Commission on Consumer Credit

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$665,643	-14.3%	\$629,386	-3.5%	14.0	19.0
FY'95	\$675,652	1.5%	\$669,159	6.3%	14.0	19.0
FY'96	\$662,013	-2.0%	\$675,013	0.9%	13.0	19.0
FY'97	\$683,795	3.3%	\$690,756	2.3%	13.0	16.0 [^]
FY'98	\$721,791	5.6%	\$747,379	8.2%	14.2	16.0
FY'99	\$743,934	3.1%	\$784,434	5.0%		16.0
6 Year Change	\$78,291	11.8%	\$155,048	24.6%		
Infl. Adjusted						
6 Year Change	-\$941	-0.1%	\$71,502	11.4%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

[^] The subcommittee requested a reduction in the authorized FTE limit of each agency. The Consumer Credit Commission was able to reduce their authorized FTE by 3.0.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	721,791	16.0

	Total	FTE
B. FY'99 Adjustments		
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	22,143	
Total Adjustments	22,143	0.0

C. FY'99 Appropriation	<u>743,934</u>	<u>16.0</u>
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III. GOVERNOR'S VETOES

None

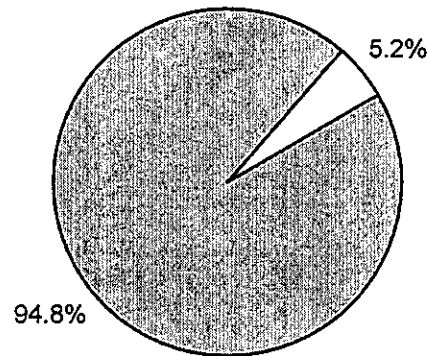
IV. OTHER ISSUES

- A. SB 1099 provides authorization for the Department of Consumer Credit to contract out for the services of a private attorney.
- B. SB 1091 amends the Consumer Credit Code to allow cable television services to assess a fee not to exceed \$5 or five percent (5%) on unpaid balances \$12 or greater. Further, with respect to a consumer revolving loan account accessed by a lender credit card or similar arrangement, the bill authorizes the lender to impose and collect from the debtor a delinquency charge, an over-limit charge, and a returned item charge. The Department is tasked with receiving, investigating, making rules, and establishing educational programs pertaining to such assessments.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$743,934	█
Revolving Funds	\$40,500	█
Total FY'99 Budget	<u>\$784,434</u>	

FY'99 Budget by Source



Appropriation Reference:

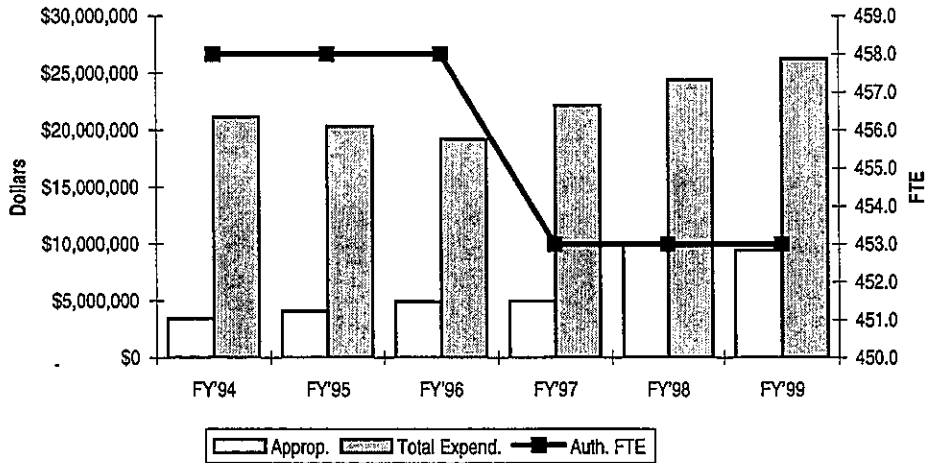
SB 930, Sections 4-6
 HB 3050, Section 91

Expenditure Limit Reference:

SB 930, Section 5

Corporation Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$3,435,145	-42.0%	\$21,169,975	15.2%	390.3	458.0
FY'95	\$4,109,188 [^]	19.6%	\$20,326,364	-4.0%	392.2	458.0
FY'96	\$4,928,381 [#]	19.9%	\$19,214,303	-5.5%	399.6	458.0
FY'97	\$5,009,636	1.6%	\$22,199,476	15.5%	417.2	453.0 [^]
FY'98	\$9,859,093 [@]	96.8%	\$24,414,667	10.0%	430.7	453.0
FY'99	\$9,455,793	-4.1%	\$26,262,124	7.6%	459.9	453.0
6 Year Change	\$6,020,648	175.3%	\$5,092,149	24.1%		
Inf. Adjusted 6 Year Change	\$5,013,562	145.9%	\$2,295,111	10.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures based on the agency's FY'98 Budget Work Program.

[^] Includes a \$388,000 supplemental appropriation for FY'95 for the prevention of furloughs of all OCC employees.

[#] Includes a \$656,824 supplemental appropriation for FY'96.

[@] Includes \$4,025,520 appropriation from General Revenue for the Oil and Gas Division. SB 115 abolished the Conservation Fund which received revenue from the Petroleum Excise Tax. The tax revenues will now be dispersed directly to the General Revenue Fund. The income from the tax was unstable.

[^] The subcommittee requested a reduction in the authorized FTE limit of each agency. The Corporation Commission was able to reduce their authorized FTE by 5.0.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	9,859,093	453.0
B. FY'99 Adjustments		
	Total	FTE
General Appropriations Bill Funding Adjustments		
1. Reduction for one-time Oil & Gas Division field equipment expenditures (\$83,300) and agency vehicle replacement expenditures (\$320,000).	-403,300	
Other Appropriation Adjustments		
1. None.		
Total Adjustments	-403,300	0.0
C. FY'99 Appropriation		
	<u>9,455,793</u>	<u>453.0</u>

III. GOVERNOR'S VETOES

A. HB 3000, Sections 1 and 5 (line item)

Section 1 - Amends the General Appropriations Bill (HB 3050, Section 92) to provide for a net budget adjustment of -\$484,210. The changes are as follows: adjust the Fuel Division funding source (-\$909,927), adjust the Data Processing budget (-\$237,595), and provide for the State Employee Pay Plan (+\$663,312).

Section 5 - Provides for the agency's budget categories and amounts.

B. HB 3002 creates the Oklahoma Corporation Commission Fuel Division Revolving Fund.

The bill replaces the \$909,927 General Revenue appropriation to the Fuel Division with funds captured from the Petroleum Storage Tank Release Environmental Cleanup Indemnity Fund.




C. The Governor vetoed SB 565, known as the Natural Gas Restructuring Act of 1998, authored by Senator Easley and Representative Rice. The bill addresses the process whereby competition is opened for natural gas service downstream of the city gate, requires the Natural Gas Policy Commission to study the implications of restructuring on the state, and implements restructuring by October 1, 2001. Further, the bill requires the Corporation Commission to promulgate rules implementing the deregulation of natural gas service.

IV. OTHER ISSUES

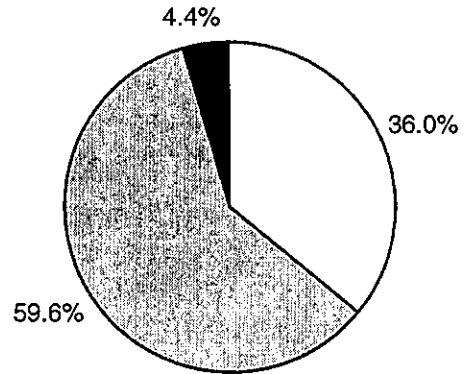
A. SB 27, known as the Oklahoma Petroleum Storage Tank Reform Act, transferred all regulation of petroleum storage tank spills and releases, oversight of environmental remediation, and the reimbursement of claims incurred for environmental cleanups to the Petroleum Storage Tank Division. The new division combines the duties and purpose of both the Fuel Division and the Indemnity Fund Program. The bill establishes that the division is to eliminate duplication of effort as well as improve efficient and responsible customer service.

- B. HB 2746 authorizes employment and staffing changes, operational changes in certain duties, and statutory changes to provide for consistency of function within the Oklahoma Corporation Commission. The bill provides for the employment of expert witnesses to prepare testimony to be utilized in pending state and federal matters. HB 2746 requires the agency to raise the authorized Senior Utility Rate Analyst limit to 2.0 FTE, and to raise the minimum qualifications of the position. Further, the agency is permitted to assign existing employees to fulfill the duties of Administrative Law Judges. Finally, the provisions of the bill provide for the declassification of the following positions: Deputy Conservation Director, Manager of Pollution Abatement, Manager of Field Operations, Manager of Technical Services, Public Utility Division Chief of Telecommunications, and the Director of Information Services.
- C. SB 888 modifies the process begun during the 1997 Legislative year with the passage of SB 500 to restructure the electric utility industry. The bill places a moratorium on municipalities from condemning electric utility facilities owned by either investor-owned utilities or rural electric cooperatives and using such facilities to provide electric service. Further, the bill places the Joint Electric Utility Task Force in control of the studies as required by SB 500, and moves forward the dates for the completion of the studies to October 1, 1999. Finally, the bill requires that a uniform tax policy be established by July 1, 2002.
- D. SJR 22 presents State Question 679. This joint resolution would provides equal salaries for Corporation Commissioners and equal salaries for members of the Oklahoma Tax Commission even if it would require an increase in salary during the term of office. On November 3, 1998, the State Question failed by a vote of the people by a margin of 56% to 44%.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$9,455,793	
Revolving Funds	\$15,658,831	
Federal Funds	\$1,147,500	
Total FY'99 Budget	<u>\$26,262,124</u>	

FY'99 Budget by Source

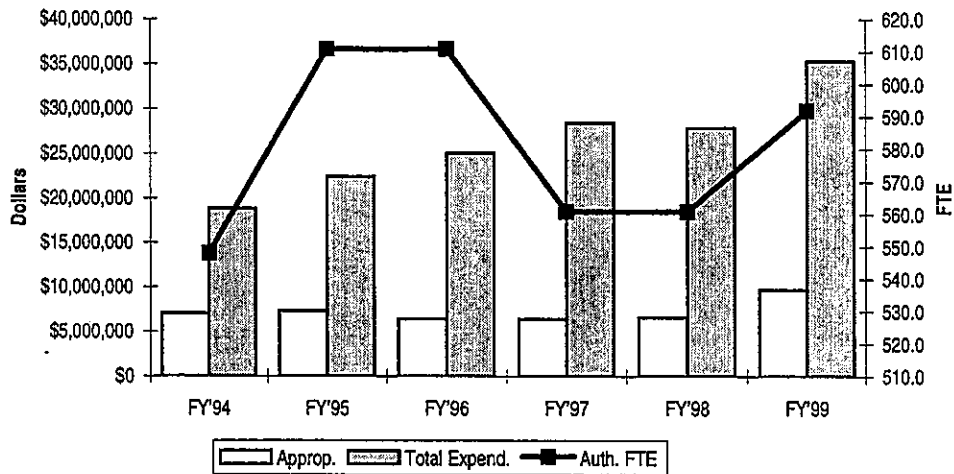


Appropriation Reference:
 HB 3000, Sections 1-8
 HB 3050, Section 92
 HB 3002

Expenditure Limit Reference:
 HB 3000, Sections 1-8

Department of Environmental Quality

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$7,072,726	N/A	\$18,854,414	N/A	390.2	548.0
FY'95	\$7,347,730	3.9%	\$22,435,205	19.0%	485.3	611.0 *
FY'96	\$6,450,577	-12.2%	\$25,067,402	11.7%	468.8	611.0
FY'97	\$6,450,577	0.0%	\$28,480,682	13.6%	502.5	561.0 ^
FY'98	\$6,664,675	3.3%	\$27,916,943	-2.0%	510.8	561.0
FY'99	\$9,725,613 #	45.9%	\$35,335,915	26.6%	535.9	592.0
6 Year Change	\$2,652,887	37.5%	\$16,481,501	87.4%		
Infl. Adjusted 6 Year Change	\$1,617,064	22.9%	\$12,718,062	67.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

* The increase in authorized FTE for FY'95 is mainly due to the expansion of the Air Quality Program mandated by the Legislature. Sixty-two additional FTE were authorized for the program.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency for FY'97. The Department of Environmental Quality was able to reduce their authorized FTE by 50.

Includes \$3 million from the Constitutional Reserve Fund to match federal funds to remediate the Tar Creek Superfund site.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	6,664,675	561.0
B. FY'99 Adjustments		
	Total	FTE
General Appropriations Bill Funding Adjustments		
1. Reduction for the completion of the Water Quality Aeration Pilot Project. The Department received funds to perform a pilot project at a medium size wastewater treatment facility located within 75 miles of Oklahoma City for treatment and reduction of sludge at a sludge lagoon.	-150,000	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	210,938	
2. HB 3025, Section 11, directs the Department to utilize available funds not to exceed \$1 million for the transfer of 31 personnel and programs from the Tulsa and Oklahoma City/County Health Departments. Further, SB 986, passed during the 1998 Legislative Session, provides the enabling language to complete the consolidation of employees into the Department of Environmental Quality.		31.0
3. The Department received \$3 million from the Constitutional Reserve (Rainy Day) Fund to match an EPA match of \$29 million. The \$32 million will be utilized to remediate the Tar Creek Superfund site. The site has been designated by the EPA as a primary health risk to children, where 25% of the children in the area possess elevated blood-lead levels.	3,000,000	
Total Adjustments	3,060,938	31.0
C. FY'98 Appropriation	9,725,613	592.0

III. GOVERNOR'S VETOES






None.

IV. OTHER ISSUES

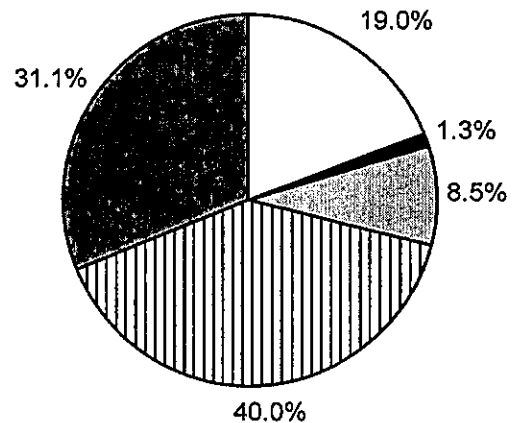
- A. SB 986 completes the consolidation of employees into the Department of Environmental Quality by transferring 31.0 FTE positions from the Tulsa and Oklahoma City/County Health Departments. These employees are chiefly responsible for air quality functions with the statutory jurisdiction of the DEQ. The bill was amended to allow for the transfer of 2.0 FTE from the Tulsa and Oklahoma City/County Health Departments for the purpose of consolidating the milk inspection functions of the Department of Agriculture. The bill transfers responsibility for food inspection programs in Oklahoma and Tulsa County to the State Department of Health. The total cost of the transfer is approximately \$1.4 million.

- B. SB 986 raises the tire recycling compensation limit from 50% to 100% based on a rate of \$20.00 per ton of waste tire usage for companies making capital investments in equipment for the purpose of manufacturing new products or deriving energy benefits from waste tires to recover funds for such equipment from the Waste Tire Indemnity Fund.
- C. SB 1025 modifies the Solid Waste Management Act. The legislation requires the Department to establish financial assurance mechanisms which will ensure that the funds necessary to meet closure, post closure and corrective action for known releases at solid waste disposal facilities will be available whenever such funds are needed. The bill prohibits the Executive Director from employing outside personnel on a contractual fee basis to assist in the establishment or administration of the Oklahoma Landfill Closure Authority. The legislation authorizes the Department to expend an amount not to exceed 5% of the total annual solid waste fee income available for incentive payments to any person, firm, or corporation in the state that generates energy by utilizing solid waste landfill methane.
- D. HB 3189, Section 18, prevents the Department from establishing or increasing fees except when the Legislature is in session. However, an exception remains in the instance that fees or charges are mandated by the Legislature or federal government. An exception also applies when establishing or raising such fees conflict with an order sanctioned by a court of law.
- E. HB 3025, Section 8 requires the Department to expend \$130,500 to employ five clerical personnel to provide telephone coverage to local district offices.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$6,725,613	
General Revenue Carryover (FY'98)	\$460,000	
Rainy Day Funds	\$3,000,000	
Revolving Funds	\$14,150,064	
Federal Funds	\$11,000,238	
Total FY'99 Budget	\$35,335,915	

FY'99 Budget by Source

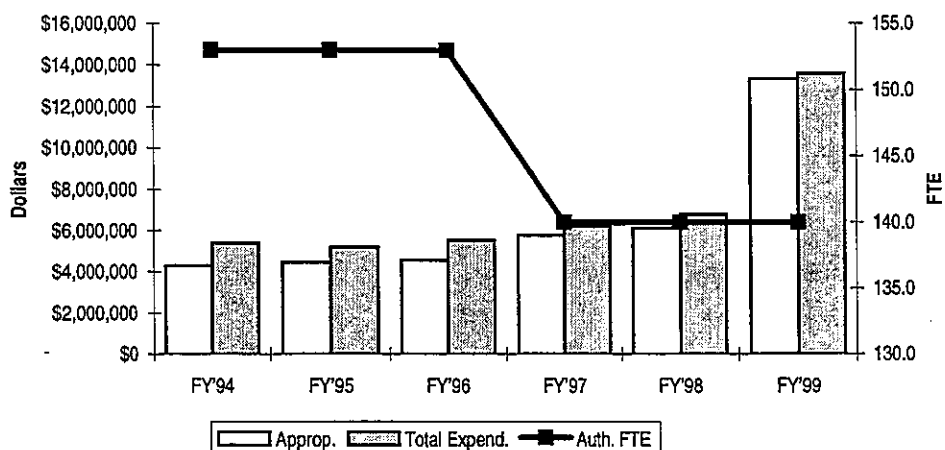


Appropriation Reference:
 HB 3025, Sections 5-11
 SB 965, Section 19
 HB 3050, Section 93

Expenditure Limit Reference:
 HB 3025, Section 7

Oklahoma Historical Society

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$4,304,467	-18.8% @	\$5,383,164	-7.1%	132.7	153.0
FY'95	\$4,470,314	3.9%	\$5,200,805	-3.4%	130.0	153.0
FY'96	\$4,573,378	2.3% ~	\$5,530,193	6.3%	130.5	153.0
FY'97	\$5,769,097	26.1% !	\$6,203,319	12.2%	133.0	140.0 ^
FY'98	\$6,134,486	6.3%	\$6,787,104	9.4%	127.4	140.0
FY'99	\$13,318,146	117.1% *	\$13,578,146	100.1%	134.8	140.0
6 Year Change	\$9,013,679	209.4%	\$8,194,982	152.2%		
Infl. Adjusted						
6 Year Change	\$7,595,235	176.5%	\$6,748,846	125.4%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

@ In FY'94, the Historical Society experienced a 18.8% reduction in state appropriations.

~ Includes a supplemental appropriation of \$24,035 to hire one FTE, an archivist, to coordinate the collection of archival materials related to the Murrah Federal Building Bombing.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The Oklahoma Historical Society was able to reduce their authorized FTE by 13.0.

* Includes \$5 million from the Constitutional Reserve (Rainy Day) Fund to construct the Murrah Bomb Site Memorial Park, administered by the U.S. National Parks Service, and \$1.5 million for major repairs and maintenance at state historical sites.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	6,134,486	140.0
B. FY'99 Adjustments		
	Total	FTE
General Appropriations Bill Funding Adjustments		
1. HB 3050, the General Appropriations bill contained the removal of one-time expenditures.	-717,500	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	206,160	
2. History Center Operations. In anticipation of the operational requirements of a new history center, the funding provides for staffing needs. This funding will be the first phase in a five (5) year progressive plan to fund the operations of the new History Center. The funding provides for 4.0 FTE staff personnel (\$131,756), travel (\$5,000), as well as other operating expenses (\$63,244).	200,000	
3. Directional Signage. The comprehensive signage program provides identification of OHS museums and sites. In addition, the agency will use the funding to replace and update old signs. OHS anticipates that over 200 new directional signs will attract greater than 400,000 visitors per year.	30,000	
4. Museum Grants Program. One-time additional funding was appropriated to assist local historical museums which are not state facilities with operations and exhibits. The funds will be leveraged with private and federal funds when possible for further development of sites. This total funding amount includes general revenue funds as well as \$1.5 million in Constitutional Reserve (Rainy Day) Funds.	2,390,000	
5. Additional Programs. Funds were appropriated to establish the All-Black Towns exhibit (\$50,00) throughout the state, and fund the Atoka Confederate Museum (\$25,000).	75,000	
6. Murrah Memorial Foundation. The Constitutional Reserve (Rainy Day) Funds were provided to the Oklahoma Historical Society for the Oklahoma City Murrah Bomb Site Memorial construction project, administered by the U.S. National Parks Service.	5,000,000	
Total Adjustments	7,183,660	0.0
C. FY'99 Appropriation	13,318,146	140.0

III. GOVERNOR'S VETOES

HB 3003, Section 3. This section contained a line-item appropriation in the amount of \$494,000 for museum grants. The funds would have provided the following to local historical societies and museums across the state: emergency repairs, restorations, and improvements of state and local museums; historical displays, exhibits, and resources; and Native-American and African-American cultural and historical programs.

IV. OTHER ISSUES

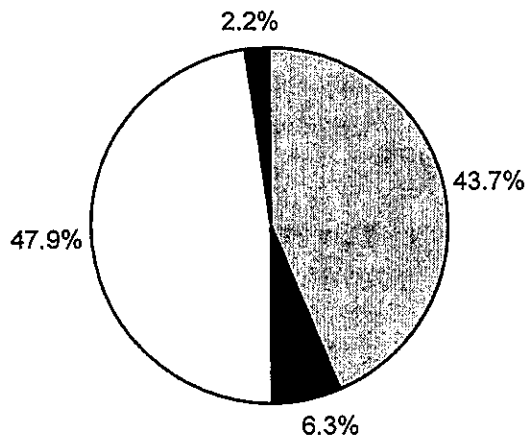
- A. HB 3066 authorized expenditure of funds for the Capital Improvement Authority. Funds were made available to the Historical Society in the amount of \$32 million to begin construction of the new History Center. The total Oklahoma Historical Society capital bond authorization request for the new History Center totaled \$46 million.
- B. HB 2827 expands the duties and composition of the Oklahoma Capitol Complex and Centennial Commemoration Commission to include the Director of the Oklahoma Indian Affairs Commission and the Executive Director of the Oklahoma Tourism and Recreation Commission. The Society will be the lead agency for the coordination and implementation of the Centennial Commission.
- C. HJR 1057 declares legislative consent for a transfer of land from the Oklahoma Historical Society to the National Park Service. The Society holds title to approximately three (3) acres of land adjacent to the recently created Washita Battlefield National Historic Site.
- D. HB 2737 unclassifies the position of Director of State Museum History.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations
 Revolving Funds
 Rainy Day Funds
 Federal Funds
 Total FY'99 Budget

\$5,928,146
 \$850,000
 \$6,500,000
 \$300,000
 \$13,578,146



Appropriation Reference:
 HB 3003, Sections 1-5
 HB 3050, Section 80
 SB 965 Sections 11-12
 HB 3066, Section 1.1

Expenditure Limit Reference:
 HB 3003, Section 4

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	2,261,354	41.0
B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. Removal of one-time computer upgrade expenditures.	-25,000	
Other Appropriation Adjustments		
1. None.		
Total Adjustments	<u>-25,000</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>2,236,354</u></u>	<u><u>41.0</u></u>

III. GOVERNOR'S VETOES

SB 934, Section 18 (line item)

The Governor vetoed the \$153,077 designated for the Oklahoma Horse Racing Commission. Section 18 of SB 934 provides for the following items:

- \$64,010 designated for the state employee pay raise and benefits allowance increase;
- \$74,948 for the equalization of the Steward's salaries across the state;
- \$27,119 for a part-time Certified Veterinarian Technician at the Blue-Ribbon Downs Racetrack; and
- \$12,000 for an increase in costs associated with the Auditor and Inspector services.



IV. OTHER ISSUES

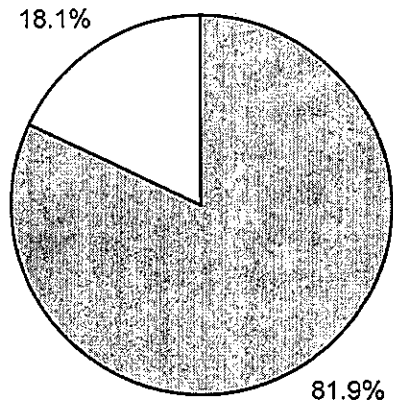
A. SB 1365 prohibits the transfer or deposit of monies from the Oklahoma Breeding Development Revolving Fund Special Account to the General Revenue Fund. The Horse Racing Commission transfers approximately \$150,000 per year from the Oklahoma Breeding Development Fund Special Account to General Revenue. The bill creates a revolving fund for the deposits of all monies collected in association with the Oklahoma Bred Program.

B. SB 1042 prohibits members and employees of the Oklahoma Horse Racing Commission and their immediate families from receiving: purse supplements, stakes, rewards, stallion awards, brood mare awards, or breeders awards; or receiving marketing, promotion, or advertising monies of any kind from the Oklahoma Breeding Development Fund.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$2,236,354	
Revolving Fund	\$494,024	
Total FY'99 Budget	<hr/> \$2,730,378	

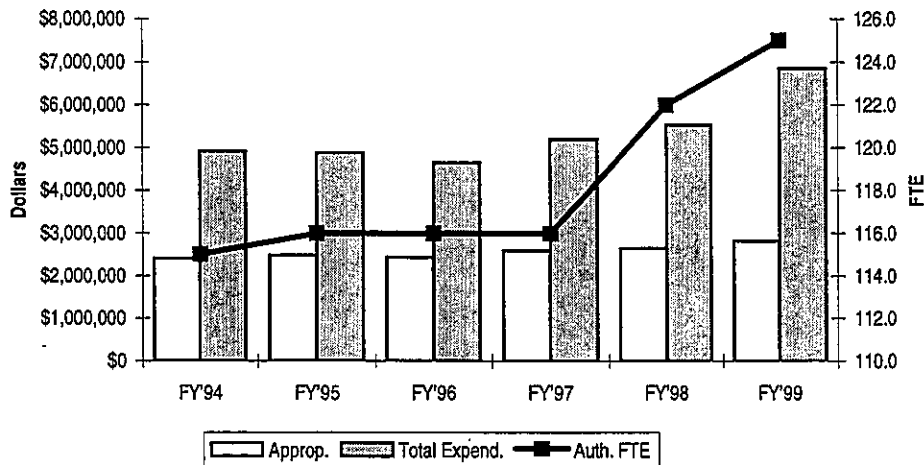


Appropriation Reference:
SB 934, Sections 18-20
HB 3050, Section 94

Expenditure Limit Reference:
SB 934, Sections 19

Insurance Commission

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$2,407,024	-11.1%	\$4,912,881	5.6%	106.7	115.0
FY'95	\$2,477,632	2.9%	\$4,881,474	-0.6%	103.3	116.0
FY'96	\$2,438,639	-1.6%	\$4,645,421	-4.8%	97.2	116.0
FY'97	\$2,591,203	6.3%	\$5,193,623	11.8%	104.0	116.0
FY'98	\$2,644,204	2.0%	\$5,526,557	6.4%	112.0	122.0 #
FY'99	\$2,818,030	6.6%	\$6,843,245	23.8%	113.7	125.0 *
6 Year Change	\$411,006	17.1%	\$1,930,364	39.3%		
Infl. Adjusted 6 Year Change	\$110,873	4.6%	\$1,201,527	24.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

The Insurance Department's FTE limit was increased six (6) FTE to accommodate the anticipated hiring of additional administrative staff. The agency will utilize their existing operating budget to pay the salaries of the additional personnel.

* The Department's FTE limit was increased three (3) FTE to accommodate the anticipated hiring of additional technicians to complete the imaging of the agency's historical documents and records. The personnel will be necessary for a period of three (3) years to complete the project.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	2,644,204	122.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	173,826	
2. FTE Limit Increase. The Department's FTE limit was increased to hire additional technicians to complete the imaging of the agency's historical documents and records. The personnel will be necessary for a period of three (3) years to complete the project. The Department will utilize existing funds to accommodate this increase.		3.0
Total Adjustments	<u>173,826</u>	<u>3.0</u>
C. FY'99 Appropriation		
	<u><u>2,818,030</u></u>	<u><u>125.0</u></u>

III. GOVERNOR'S VETOES





None.

IV. OTHER ISSUES

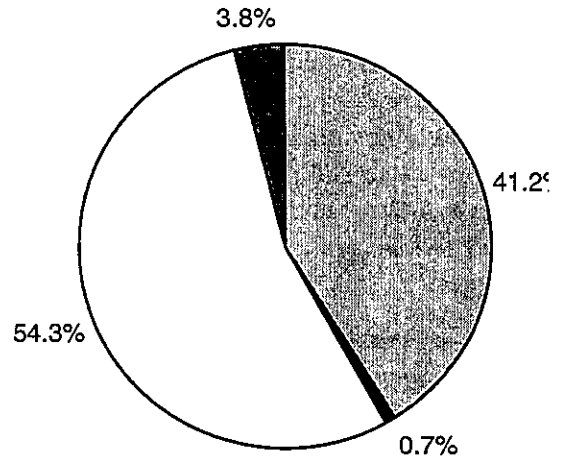
A. SB 791, passed during the 1998 Legislative Session, pertains to the regulation of viatical settlements. The Viatical Settlements Act describes who can be a viatical settlement provider. The bill establishes a \$500 fee for licenses issued by the Insurance Commissioner, requires filing of viatical settlement contracts with the Commissioner, requires various disclosures to the party interested in signing a viatical settlement contract, and authorizes the Commissioner to promulgate rules to enforce the act. For FY'99, the estimated fiscal impact of the bill totals \$36,000 for the hiring of an additional FTE, start-up expenses, and operational expenses. The Commissioner anticipates that once the program is implemented, the position and associated program costs will become self-funded.

B. HB 2843 creates the Small Employer Health Insurance Act. The bill requires the Insurance Commissioner to approve health benefit plan rate manuals to insure that the health insurance rates in the manual do not exceed the existing statutory limits. According to the legislation, the Commissioner must approve or reject the rate manual within 30 days of the submission of the manual. Failing to take action will result in the automatic approval of the manual.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations FY'99	\$2,818,030	
General Revenue Carryover	\$50,000	
Revolving Funds	\$3,716,147	
Federal Funds	\$259,068	
Total FY'99 Budget	\$6,843,245	

FY'99 Budget by Source

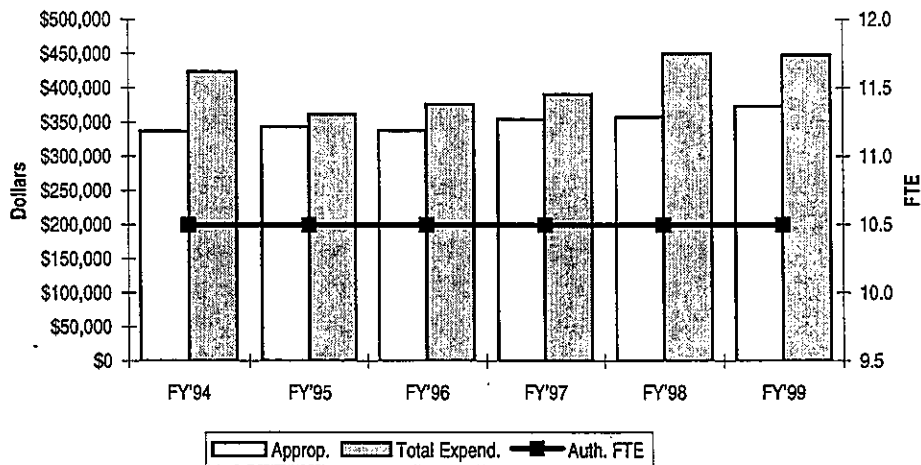


Appropriation Reference:
 SB 934, Sections 21-23
 HB 3050, Section 95

Expenditure Limit Reference:
 SB 934, Sections 21-22

J.M. Davis Memorial Commission

I. FUNDING HISTORY



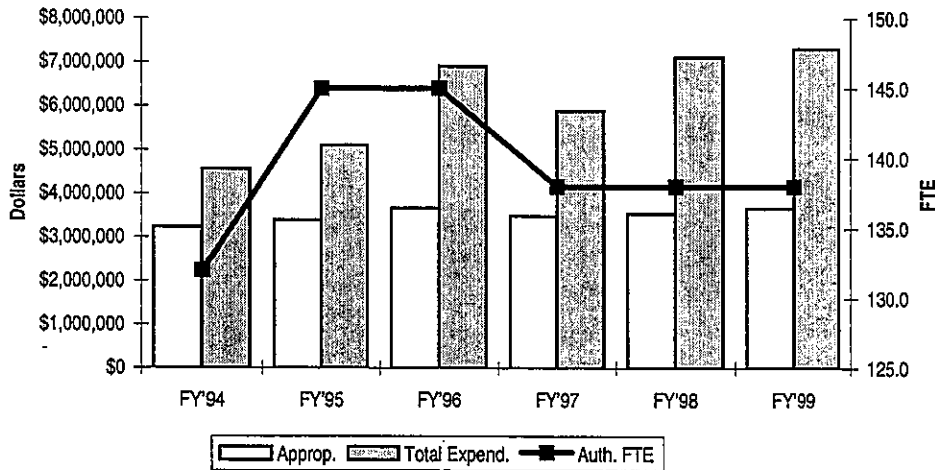
	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$336,919	-10.0%	\$424,486	-1.1%	10.5	10.5
FY'95	\$343,606	2.0%	\$361,805	-14.8%	10.5	10.5
FY'96	\$337,721	-1.7%	\$376,436	4.0%	10.5	10.5
FY'97	\$354,782	5.1%	\$391,588	4.0%	10.5	10.5 ^
FY'98	\$358,249	1.0%	\$450,656	15.1%	10.5	10.5
FY'99	\$373,244	4.2%	\$448,244	-0.5%		10.5
6 Year Change	\$36,325	10.8%	\$23,758	5.6%		
Infl. Adjusted 6 Year Change	-\$3,427	-1.0%	-\$23,982	-5.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The J. M. Davis Memorial was unable to reduce their authorized FTE limit for FY'97.

Department of Labor

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$3,236,169	-8.3%	\$4,560,617	-1.9%	105.6	132.0
FY'95	\$3,395,954	4.9%	\$5,104,398	11.9%	106.6	145.0 *
FY'96	\$3,667,071 #	8.0%	\$6,910,445	35.4%	139.0	145.0
FY'97	\$3,494,659	-4.7%	\$5,890,858	-14.8%	113.9	138.0 ^
FY'98	\$3,547,165	1.5%	\$7,117,715	20.8%	119.7	138.0
FY'99	\$3,668,984	3.4%	\$7,309,241	2.7%	116.1	138.0
6 Year Change	\$432,815	13.4%	\$2,748,624	60.3%		
Infl. Adjusted 6 Year Change	\$42,051	1.3%	\$1,970,156	43.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

The FY'96 budget contained a reappropriation of the Department of Labor's revolving funds consisting of the Workers Compensation Fund (\$40,000) and the Safety Consultation and Regulation Revolving Fund (\$347,000). The \$387,000 reappropriation will fund the Boxing Commission (\$52,000) Joint Boiler Inspection Program (\$50,000) and reducing the number of backlogged cases (\$285,000).

* The increase in authorized FTE for FY'95 reflects expansions in the Workers Safety Compliance Program and the Workers Safety Compensation Program.

^ The reduction in authorized FTE was requested by the subcommittee of each agency. The Department of Labor was able to reduce their FTE authorization limit by 7.0.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	3,547,165	138.0
B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	121,819	
Total Adjustments	<u>121,819</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>3,668,984</u></u>	<u><u>138.0</u></u>

III. GOVERNOR'S VETOES








The Governor vetoed SB 937, which reduces the allocation of the Workers' Compensation Special Indemnity Fund tax to the Department of Labor from 5% to 2.5%. The bill creates the Safety Consultation and Regulation Revolving Fund in statutes and provides that expenditures from the fund pay for the following: salaries and benefits for safety consultants for time engaged in consultations; travel incurred when providing consultations; equipment actually utilized in providing consultations; and supplies used in providing consultations.

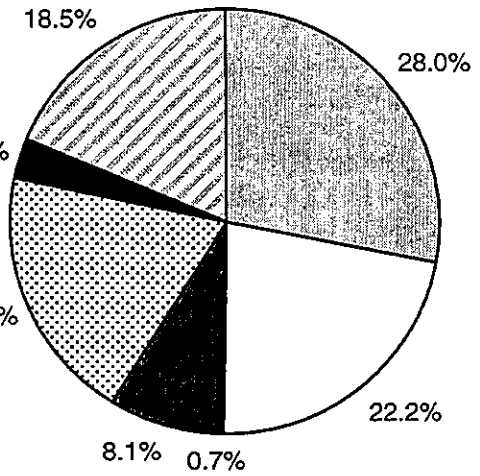
IV. OTHER ISSUES

HB 3165 amends the definitions section of the Oklahoma Professional Boxing Licensing Act to include booking agents and direct broadcast satellite providers to the definitions sections. The legislation imposes a 5% total gross receipts tax on vendors. Therefore, food, alcoholic and non-alcoholic beverages, and merchandise will be subject to the tax. The funds collected will be remitted to the Oklahoma Tax Commission.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Revenue Fund	\$2,049,330	
Occupational Health & Safety (Approp.)	\$1,619,654	
Department of Labor Revolving Fund	\$47,878	
Workers Compensation Revolving Fund	\$590,402	
Safety Consultation and Regulation Fund	\$1,418,449	
Professional Boxing License Rev. Fund	\$228,751	
Federal Funds	\$1,354,777	
Total FY'99 Budget	\$7,309,241	

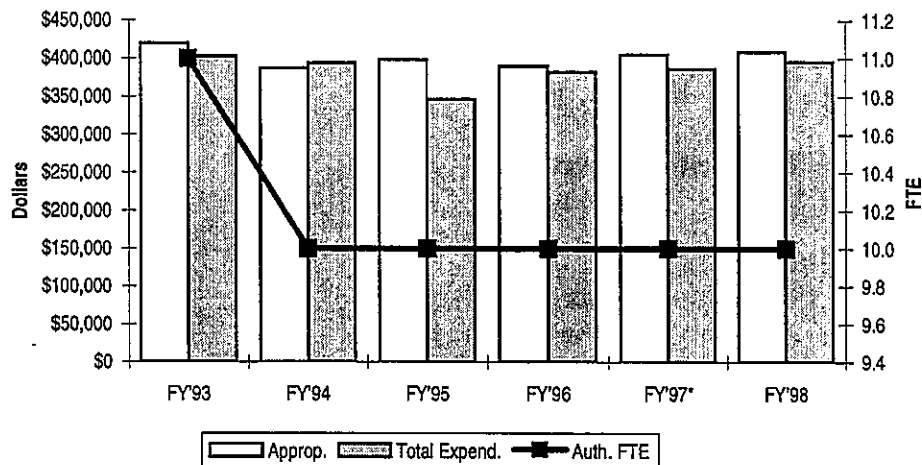


Appropriation Reference:
 SB 934, Sections 24-29
 HB 3050, Sections 96-98

Expenditure Limit Reference:
 SB 934, Section 26

Liquefied Petroleum Gas Board

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$387,688	-7.7%	\$394,143	-2.2%	10.0	10.0 #
FY'95	\$398,584	2.8%	\$346,841	-12.0%	10.0	10.0
FY'96	\$390,958	-1.9%	\$382,897	10.4%	9.0	10.0
FY'97*	\$405,590	3.7%	\$386,919	1.1%	9.0	10.0 ^
FY'98	\$409,507	1.0%	\$396,530	2.5%	9.0	10.0
FY'99	\$423,200	3.3%	\$423,200	6.7%	9.5	10.0
6 Year Change	\$35,512	9.2%	\$29,057	7.4%		
Infl. Adjusted						
6 Year Change	-\$9,561	-2.5%	-\$16,016	-4.1%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

The FTE authorization was reduced from FY'93 to FY'94 as a result of the elimination of the position of Deputy Director.

* Beginning in FY'97, the Executive Budgets submitted by Governor Frank Keating have recommended the consolidation of the LPG Board with the Oklahoma Corporation Commission.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The LPG Board was unable to reduce their authorized FTE.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	409,057	10.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	14,143	
Total Adjustments	<u>14,143</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>423,200</u></u>	<u><u>10.0</u></u>

III. GOVERNOR'S VETOES

None.

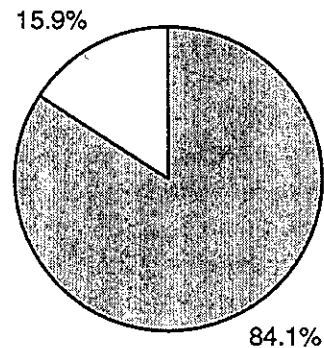
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$423,200	■
Revolving Funds	\$80,000	□
Total FY'99 Budget	<u>\$503,200</u>	

FY'99 Budget by Source

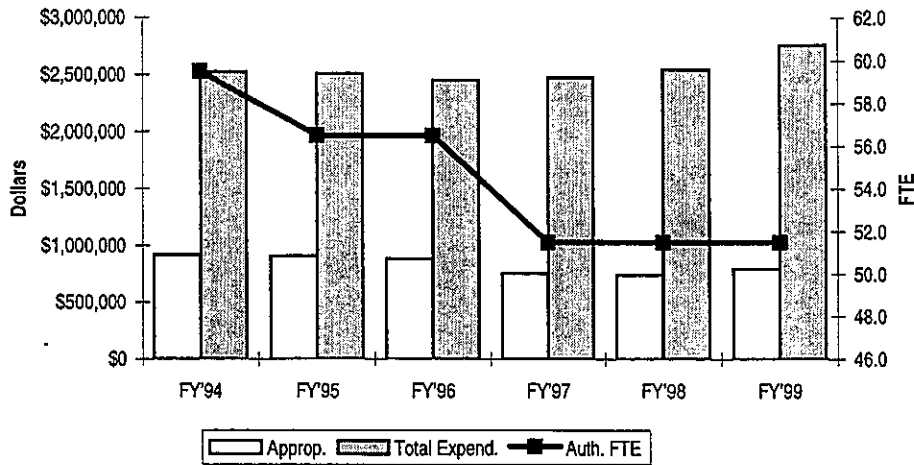


Appropriation Reference:
 HB 3000, Section 9-12
 HB 3050, Section 82

Expenditure Limit Reference:
 HB 3000, Sections 10

Department of Mines

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$919,502	-15.1%	\$2,526,071	-0.7%	52.3	59.5
FY'95	\$907,321	-1.3%	\$2,510,753	-0.6%	50.3	56.5
FY'96	\$886,513	-2.3%	\$2,453,935	-2.3%	49.1	56.5
FY'97	\$756,513	-14.7%	\$2,478,773	1.0%	47.6	51.5 ^
FY'98	\$742,895	-1.8%	\$2,547,887	2.8%	49.0	51.5
FY'99	\$797,566	7.4%	\$2,761,584	8.4%		51.5
6 Year Change	-\$121,936	-13.3%	\$235,513	9.3%		
Infl. Adjusted						
6 Year Change	-\$206,880	-22.5%	-\$58,609	-2.3%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The Department of Mines was able to reduce their authorized FTE by 5.0.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	742,895	51.5

	<u>Total</u>	<u>FTE</u>
B. FY'99 Adjustments		
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	54,671	
Total Adjustments	<u>54,671</u>	<u>0.0</u>

C. FY'99 Appropriation	<u><u>797,566</u></u>	<u><u>51.5</u></u>
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III. GOVERNOR'S VETOES

None.





IV. OTHER ISSUES

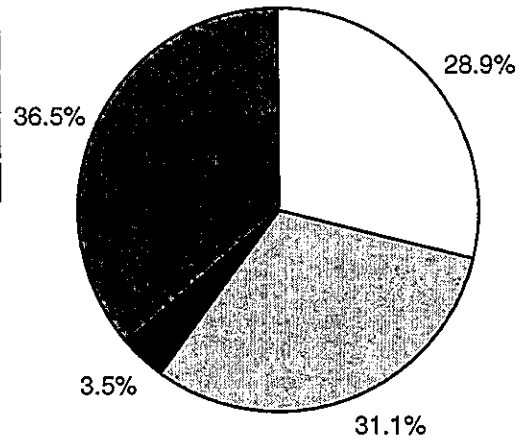
A. SB 1011 authorizes the Oklahoma Department of Environmental Quality (DEQ) and the Department of Mines to cooperate on a study regarding acid mine drainage, and evaluate existing projects in the field. This study will be funded primarily through federal funds available to the DEQ.

B. HB 2598 requires any mining operation occurring within a municipality with a population greater than 300,000 to show proof of compliance with all applicable municipal regulations before the Department of Mines can issue a permit.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$797,566	
Department of Mines Revolving Fund	\$859,113	
OK Miner Training Institute Rev. Fund	\$97,560	
Federal Funds	\$1,007,345	
Total FY'99 Budget	\$2,761,584	

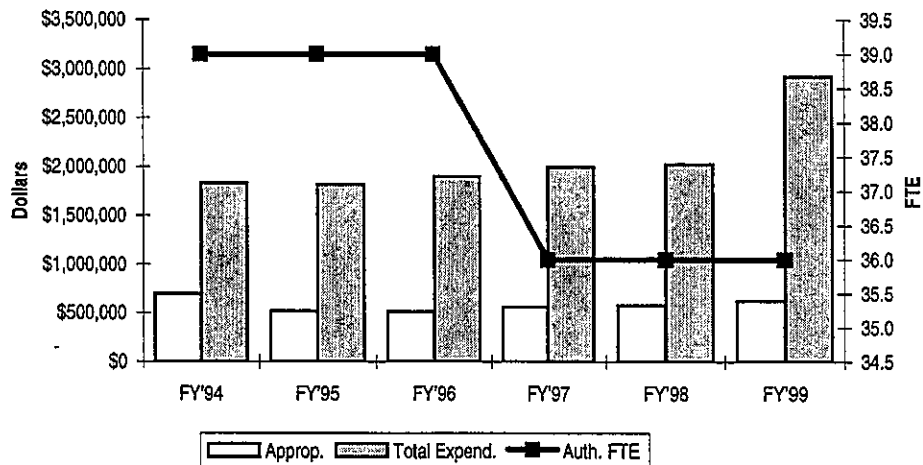


Appropriation Reference:
 HB 3025, Sections 12-14
 HB 3050, Sections 83-84

Expenditure Limit Reference:
 HB 3025, Sections 13-14

Department of Securities

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$698,128	-13.7%	\$1,830,525	-0.2%	31.3	39.0
FY'95	\$520,279 #	-25.5%	\$1,815,158	-0.8%	30.6	39.0
FY'96	\$514,471	-1.1%	\$1,900,113	4.7%	29.4	39.0
FY'97	\$565,533	9.9%	\$2,001,699	5.3%	29.9	36.0 ^
FY'98	\$578,927	2.4%	\$2,028,803	1.4%	27.7	36.0
FY'99	\$627,123	8.3%	\$2,920,000	43.9%		36.0
6 Year Change	-\$71,005	-10.2%	\$1,089,475	59.5%		
Infl. Adjusted						
6 Year Change	-\$137,797	-19.7%	\$778,481	42.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

Legislation passed during the 1994 Legislative Session resulted in a decrease in General Revenue appropriations for FY'95 and an increase in the authorized amount of revolving funds that the agency could utilize.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The Department of Securities was able to reduce their authorized FTE by 3.0.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	578,927	36.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	48,196	
Total Adjustments	<u>48,196</u>	<u>0.0</u>
C. FY'99 Appropriation		
	<u><u>627,123</u></u>	<u><u>36.0</u></u>

III. GOVERNOR'S VETOES




None.

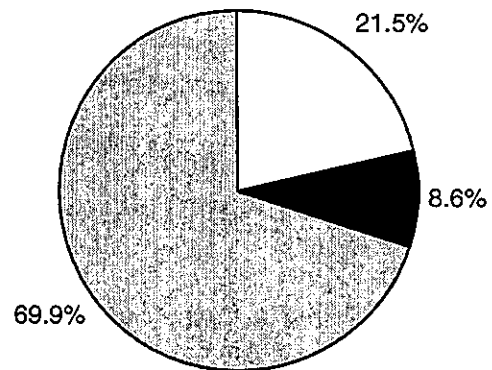
IV. OTHER ISSUES

SB 1354 clarifies the language of the Oklahoma Securities Act to provide parity with the federal statutes. The bill removes the limit on the number of sales reports that may be assessed. The bill eliminates the option to register as a combined broker-dealer and investment advisor, as specified by current federal law. For those individuals desiring both licenses, two separate licenses are required. Therefore, the fee increase will be from \$450 to \$600 (each license totaling \$300). In that the combined fees are deposited to the General Revenue Funds and the individual fees are deposited to the Commission's revolving fund, the changes create a negative net impact on General Revenue. It is estimated that the annual negative net impact totals approximately \$10,000, and the annual positive net impact to the Commission's revolving fund totals approximately \$25,000.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$627,123	
General Revenue Carryover	\$251,756	
Securities Commission Revolving Fund	\$2,041,121	
Total FY'99 Budget	\$2,920,000	



Appropriation Reference:

SB 930, Sections 7-9

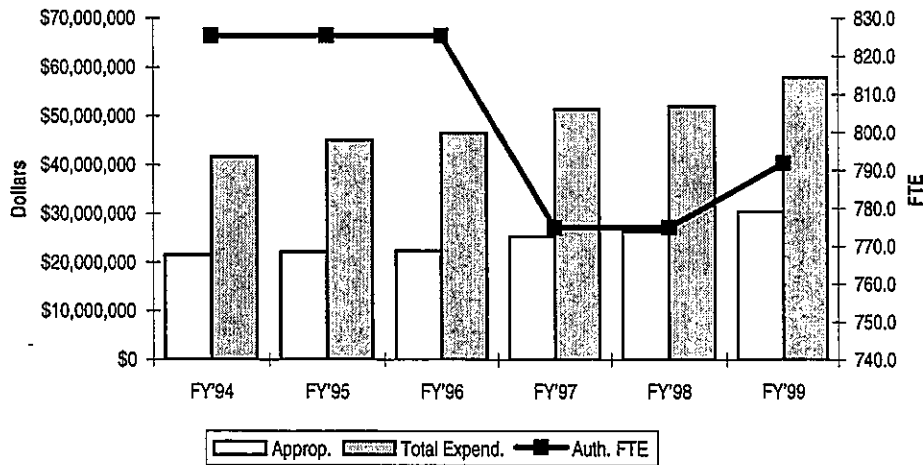
HB 3050, Section 99

Expenditure Limit Reference:

SB 930, Section 8

Department of Tourism and Recreation

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$21,586,763	-12.3%	\$41,666,260	-4.9%	748.2	825.5
FY'95	\$22,163,054	2.7%	\$45,079,610	8.2%	741.8	825.5
FY'96	\$22,440,559 #	1.3%	\$46,606,367	3.4%	742.1	825.5
FY'97	\$25,406,329	13.2%	\$51,456,417	10.4%	739.0	775.0 ^
FY'98	\$26,374,039	3.8%	\$52,007,823	1.1%	758.0	775.0
FY'99	\$30,476,669	15.6%	\$57,932,670	11.4%		792.0 !
6 Year Change	\$8,889,906	41.2%	\$16,266,410	39.0%		
Infl. Adjusted 6 Year Change	\$5,643,999	26.1%	\$10,096,311	24.2%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

Includes FY'96 supplemental appropriation of \$649,856 for debt service payment to the Oklahoma Capital Improvement Authority (\$299,856) and Lake Murray Sewer Lagoon repairs (\$350,000).

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The Department of Tourism & Recreation was able to reduce their authorized FTE by 50.5.

! The FTE limit was increased to accommodate the addition of various tourism programs and the newly constructed golf courses at Lake Texoma, Langley, and Roman Nose.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	26,374,039	775.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. HB 3050 adjusted the base appropriation to the Department to account for following one-time expenditures: Welcome Centers (\$200,000), Planning-Land and Water Match (\$60,723), and Parks-Infrastructure (\$538,000).	-798,723	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	1,133,835	
2. Park Naturalists. The funding will be dedicated to hiring two (2) Naturalists (\$56,320) to develop park programs for visitors and guests, as well as promote volunteerism at two State Parks.	67,960	2.0
3. Film Office. Due to increased Film Office activity, funding was provided for various division activities and needs, such as: an additional Administrative Assistant, an increase for the salary limits of the Division Director and the Assistant Director, professional location scouts and photographers, an increased travel budget, updated equipment purchases, and promotional advertising. The request would increase the Film Office Division budget from \$216,000 to approximately \$300,000.	80,000	1.0
4. Park Site Radius Maps. The signage will be installed at state parks to provide geographical listings of nearby attractions for visitors.	31,388	
5. Traveler Response Information Program (TRIP). In 1998, the state's first interactive travel planning system (TRIP) was unveiled on the internet. The funding for two (2) managerial positions, two full-time seasonal counselors, and associated operating costs will continue the TRIP program. TRIP can be accessed on the Internet at: www.travelok.com	150,000	2.0
6. Greenwood Cultural Center. Funds were provided for the operations and maintenance of the Greenwood Cultural Center, located in Tulsa, Oklahoma. The FY'99 budget for the program totals \$100,000.	50,000	

Adjustments (cont'd.)		
7. Multi-Cultural Tourism Program. The funds will be dedicated to the promotion and development of African-American, Native-American, Hispanic-American, and Asian-American tourism efforts throughout the state. Two (2.0) FTE will be dedicated (one existing and one additional FTE) for the administration of the program.	100,000	1.0
8. Golf Course Personnel Costs. The funds will be dedicated as start-up costs for the Langley, Lake Texoma, and Roman Nose Golf Courses, which are scheduled to open in FY'99. The funding will accommodate the salaries and benefits for 5.0 FTE: Roman Nose Greens Support, Langley Groundskeeper, Langley Greens Supervisor, Texoma Greens Support, and a Texoma Grounds Supervisor.	138,170	5.0
9. Golf Course Start-up Costs. Constitutional Reserve Funds (Rainy Day Funds) were provided to the Department for the purpose of constructing and operating the Langley, Lake Texoma, and Roman Nose Golf Courses. In addition, funds were provided to construct the Texoma Golf Clubhouse.	1,500,000	
10. Funds were appropriated to provide for tourism promotion and development.	750,000	
11. State Parks Operations and Maintenance. Constitutional Reserve (Rainy Day) Funds were provided to renovate and improve State Park facilities.	900,000	
Total Adjustments	4,102,630	11.0
C. FY'99 Appropriation	30,476,669	792.0

III. GOVERNOR'S VETOES

SB 940, Section 5, provides \$365,000 for Tourism Infrastructure Improvements and Equipment throughout the state.

SB 940, Section 7, provides \$509,500 for market development and tourism promotion of local events and sites throughout the state.

SB 940, Section 8, provides \$231,000 for the operations, maintenance, and construction of Welcome Centers throughout the state.







IV. OTHER ISSUES

A. As part of the Capital Improvement Bond Issue, HB 3066, the Legislature appropriated \$3.5 million to the Tourism and Recreation Department for the construction and site enhancement of the Quartz Mountain Lodge and Conference Center. The ground breaking to begin construction took place in June 1998.

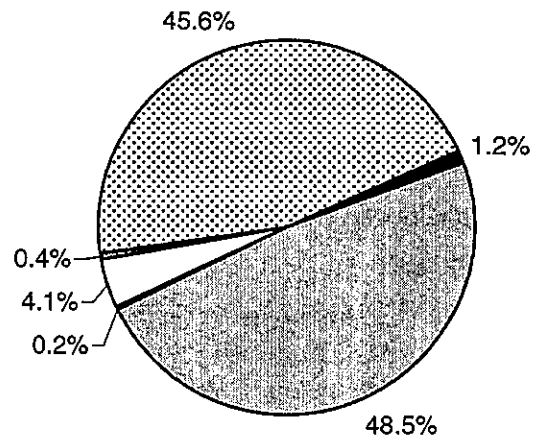
B. SB 1003 authorizes the Department of Tourism and Recreation to enter into private contracts or management service agreements with the Texoma Lodge. The contract may be entered into on an annual basis, not to exceed a cumulative period of fifty (50) years. This measure requires the Department to comply with all applicable provisions of any outstanding bond indentures before entering into any contract. The accruing revenue from the contract will be deposited into the Department's general revolving fund.

- C. SB 850 authorizes the Department of Tourism and Recreation to enter into a private contract for a management service agreement with the Quartz Mountain Arts and Conference Center. The contract may be entered into on an annual basis, not to exceed a cumulative period of fifty (50) years. This measure requires the Department to comply with all applicable provisions of any outstanding bond indentures before entering into any contract.
- D. HB 2266 authorizes the employees of the Oklahoma Today Magazine to receive a commission not to exceed 25% of the value of the advertising sales as part of their salaries. The additional compensation cannot exceed the amount of \$62,170. This equates to 95% of the Executive Director's salary. Further, the bill unclassifies the positions assigned to work with the Oklahoma Today Magazine.
- E. HB 2267 provides the statutory authority for the Oklahoma Tourism and Recreation Commission to delegate authority to approve certain construction change orders to the Executive Director. With a majority vote of the commission, the Executive Director is authorized to approve construction change orders for amounts less than \$25,000.
- F. SB 849 increases the hours in which a seasonal employee can be employed during a calendar year within the Tourism and Recreation from 999 hours to 1199 hours. For FY'99, the Department estimates a need for 330.3 seasonal FTE.
- G. SB 1044, authored by Senator Stipe and Representative Mass, transfers \$154,211 from the Attorney General's Evidence Fund to the Department for the purpose of constructing a conference center at the Robbers Cave State Park. In 1988, \$388,000 was originally appropriated to match federal funds designated for a Water Resource and Tourism Information Center in the Red and Arkansas River Basin. The funds were deposited into accounts held by the RedArk Trust Development Authority. RedArk became financially insolvent, and the Attorney General seized all funds. SB 1044 reappropriates and redesignates these funds.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$28,076,669	
Carryover Funds	\$125,000	
Rainy Day Funds	\$2,400,000	
Reappropriated Funds	\$220,000	
Revolving Funds	\$26,408,146	
Federal Funds	\$702,855	
Total FY'99 Budget	\$57,932,670	

FY'99 Budget by Source

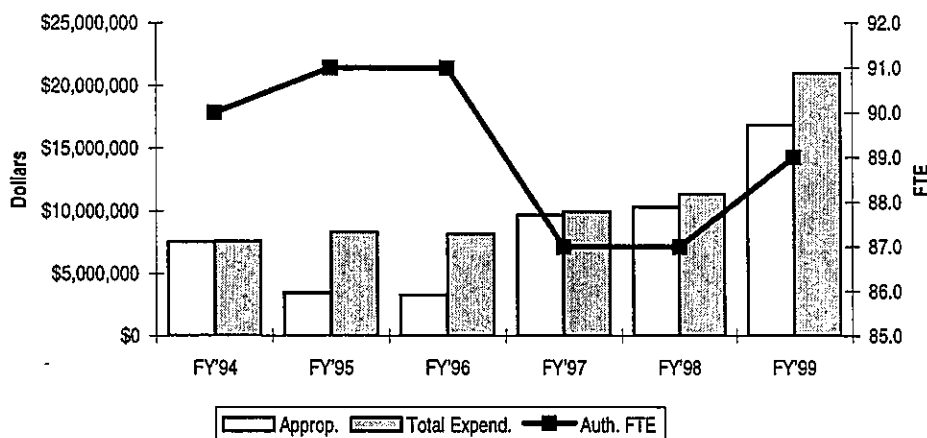


Appropriation Reference:
 SB 940, Sections 4-14, 17, and 19-20
 HB 3050 Section 85
 SB 971 Sections 55-56
 HB 3065 Section 17
 HB 3066 Section 1.15

Expenditure Limit Reference:
 SB 971 Section 55

Water Resources Board

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$7,519,516 #	30.9%	\$7,574,250	10.1%	80.7	90.0
FY'95	\$3,447,074	-54.2%	\$8,322,813	9.9%	80.6	91.0
FY'96	\$3,261,552	-5.4%	\$8,166,059	-1.9%	76.2	91.0
FY'97	\$9,700,453 @	197.4%	\$9,944,231	21.8%	72.5	87.0 ^
FY'98	\$10,338,477	6.6%	\$11,346,968	14.1%	81.2	87.0
FY'99	\$16,877,343 *	63.2%	\$21,007,509	85.1%		89.0
6 Year Change	\$9,357,827	124.4%	\$13,433,259	177.4%		
Infl. Adjusted						
6 Year Change	\$7,560,312	100.5%	\$11,195,862	147.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures and does not include funds appropriated from the Rainy Day Fund.

Includes \$1,252,500 appropriated from the Constitutional Reserve Fund during the 1993 Legislative Session and \$3,105,709 as a supplemental appropriation during the 1994 Legislative Session for the purpose of matching EPA capitalization grants for the SRF Program.

@ FY'97 represents the first of several continuing fiscal year programs. The programs consist of \$4,500,000 for the REAP (Rural Economic Action Plan) program, water/wastewater systems grants, implementation of a Weather Modification Program, and Sardis Reservoir repayment of debt obligations. The funding levels for these programs have fluctuated from FY'97 to present.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The Water Resources Board was able to reduce their authorized FTE by 4.0.

* Includes \$1,000,000 in funding for the Water Quality Monitoring Council to coordinate a statewide water quality monitoring program, \$3,500,000 in funding for a federal Safe Drinking Water match, \$3,500,000 in funding for Non-point Source Pollution Grants, and \$1,739,547 in funding for matching EPA capitalization grants for the SRF Program.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	10,338,477	87.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. HB 3050 removed one-time appropriations for the following: Weather Modification (\$1,000,000) and Sardis Reservoir debt service payment (\$1,175,850).	-2,175,850	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	135,216	
2. Rural Water Association. Funds were provided to increase the contract for technical training and education programs to rural water and wastewater system operators and board members.	39,500	
3. Water Quality Monitoring Council. Constitutional Reserve Fund (Rainy Day) money will be utilized to begin the planning of a statewide coordinated water quality assessment and remediation plan throughout the state.	1,000,000	
4. Non-point Source Pollution Revolving Fund. Constitutional Reserve Fund (Rainy Day Fund) money will be used as collateral to issue bonds for municipalities to protect their water supply sources.	3,500,000	
5. Drinking Water Treatment Revolving Loan Account. Constitutional Reserve Fund (Rainy Day Fund) money will capture \$27.8 million in federal funds to construct and improve municipal drinking water system facilities.	3,500,000	2.0
6. Weather Modification. Constitutional Reserve Fund (Rainy Day Fund) money will provide for the enhancement of rainfall and suppression of hail throughout the state.	500,000	
7. Funds were provided to facilitate local water grant initiatives.	40,000	
Total Adjustments	6,538,866	2.0

C. FY'99 Appropriation	<u>16,877,343</u>	<u>89.0</u>
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III. GOVERNOR'S VETOES

None.

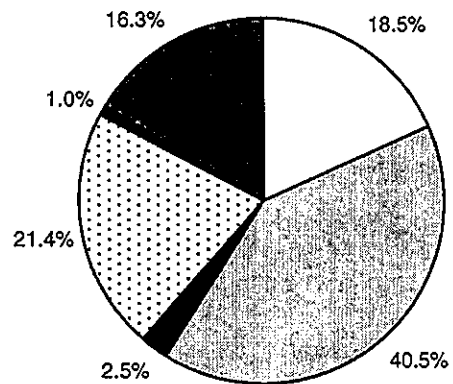
IV. OTHER ISSUES

- A. SB 984, passed during the 1998 Legislative Session, provides the Oklahoma Water Resources Board the authority to promulgate rules for administering, determining priority of, approving and funding applications for Rural Economic Action Plan (REAP) grant program funds. The bill limits the funding for a qualified entity to the sum of \$150,000 in any 12-month period. In order to ensure equal access to funds for qualifying entities, the legislation stipulates that those entities previously awarded a REAP grant are to be given a lower priority ranking when applying for future grants.
- B. HB 3068 creates a new fund called the REAP Water Projects Fund. The administration of the Fund was placed under the Oklahoma Water Resources Board. Further, the bill changes the appropriation of \$4.5 million provided in the General Appropriations Bill (HB 3050) from the agency to the Fund.
- C. Through legislative action, the Executive Director's salary was increased from \$61,661 to \$64,744, an increase of \$3,083 (or 5.0%).
- D. HB 2737 unclassified the agency's four (4) Division Chief positions.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$3,877,343	
Constitutional Reserve Funds	\$8,500,000	
Revolving Funds	\$514,950	
REAP Funds	\$4,500,000	
USGS Cooperative Program	\$200,000	
Federal Funds	\$3,415,216	
Total FY'99 Budget	\$21,007,509	

FY'99 Budget by Source

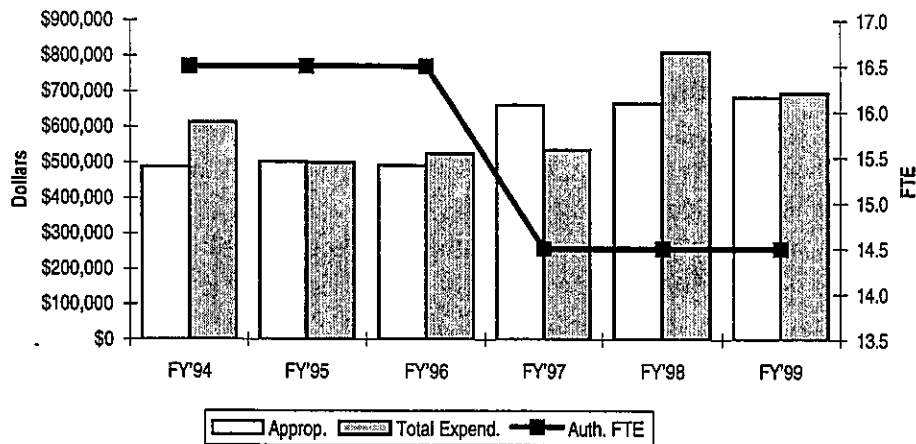


Appropriation Reference:
 HB 3025, Sections 15-16 and 18-21
 HB 3050, Sections 86-87
 SB 971, Section 58
 SB 965, Sections 15-18

Expenditure Limit Reference:
 SB 971, Section 58

Will Rogers Memorial Commission

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$487,932	-10.0%	\$612,932	-8.1%	12.1	16.5
FY'95	\$501,868	2.9%	\$499,339	-18.5%	10.5	16.5
FY'96	\$491,645	-2.0%	\$525,973	5.3%	11.0	16.5
FY'97	\$662,933 #	34.8%	\$535,875	1.9%	11.5	14.5 ^
FY'98	\$666,896	0.6%	\$810,784	51.3% *	12.2	14.5
FY'99	\$684,169	2.6%	\$696,169	-14.1%		14.5
6 Year Change	\$196,237	40.2%	\$83,237	13.6%		
Infl. Adjusted 6 Year Change	\$123,370	25.3%	\$9,092	1.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

The FY'97 appropriation increase reflects a one-time appropriation of \$150,000 for building maintenance of the Memorial.

^ The subcommittee requested a reduction in the authorized FTE limit of each agency. The Will Rogers Memorial was able to reduce their authorized FTE by 2.0.

* For FY'98 total expenditures increased as the Commission conducted general museum enhancements and restoration projects.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	666,896	14.5
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	17,273	
Total Adjustments	<u>17,273</u>	<u>0.0</u>
C. FY'99 Appropriation		
	<u><u>684,169</u></u>	<u><u>14.5</u></u>

III. GOVERNOR'S VETOES

None.

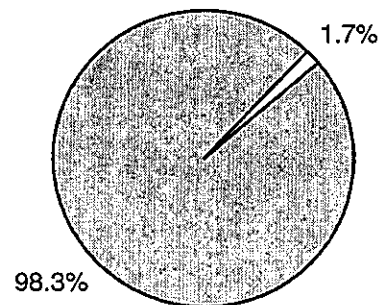
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$684,169	■
Revolving Funds	\$12,000	□
Total FY'99 Budget	<u>\$696,169</u>	



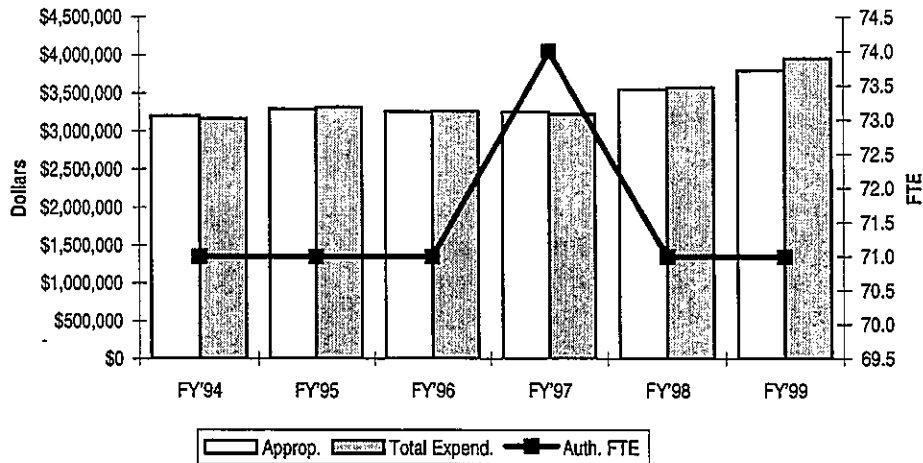
Appropriation Reference:
 HB 3003, Section 9-13
 HB 3050, Section 88

Expenditure Limit Reference:
 HB 3003, Sections 10-11

**SUBCOMMITTEE ON PUBLIC SAFETY
AND JUDICIARY**

Alcoholic Beverage Laws Enforcement Commission

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$3,201,693	8.2%	\$3,164,329	4.5%	63.1	71.0
FY'95	\$3,289,910	2.8%	\$3,317,375	4.8%	67.0	71.0
FY'96	\$3,260,876	-0.9%	\$3,268,329	-1.5%	65.6	71.0
FY'97	\$3,260,876	0.0%	\$3,228,505	-1.2%	62.3	74.0
FY'98	\$3,555,144	9.0%	\$3,578,176	10.8%	61.0	71.0
FY'99	\$3,803,032	7.0%	\$3,955,341	10.5%		71.0
6 Year Change	\$601,339	18.8%	\$791,012	25.0%		
Inf. Adjusted						
6 Year Change	\$196,298	6.1%	\$369,750	11.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, \$390,450 was provided to the agency for enforcement of the Charity Games Act. The agency's appropriation was reduced 5% or \$147,960, and the FTE limit was reduced by 3.0.

In FY'95, commissioned law enforcement officers received a 6% pay increase. \$88,217 was provided to the agency to cover the state share of this and other payroll costs for nine months.

In FY'97 additional secretarial support was provided for District Offices in Lawton, Tahlequah, and OKC. However, the funding of \$77,090 to accompany this was vetoed by the Governor.

In FY'98, \$261,576 was added for a new employee classification system designed to match pay scales at other state law enforcement agencies. The system provided average pay raises of \$5,565 or 18% for 47 agents.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	3,555,144	71.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	95,568	
2. Restore vetoed funding for FY'97 state employee pay package.	97,897	
3. OSF Data Processing Charges - The Office of State Finance in FY'96 changed its method of billing state agencies for DP services, increasing ABLE's cost. The governor had vetoed appropriations in the 1996 and 1997 session for this purpose.	54,423	
Total Adjustments	247,888	0.0
C. FY'99 Appropriation	3,803,032	71.0

III. GOVERNOR'S VETOES

None.

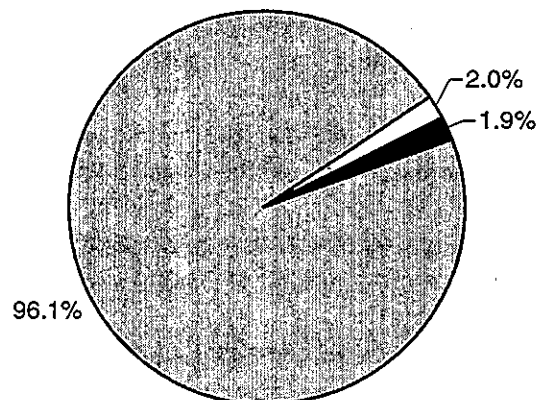
IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$3,803,032	■
Revolving Funds	\$78,309	□
Federal Funds	\$74,000	■
Total FY'99 Budget	\$3,955,341	

FY'99 Budget by Source

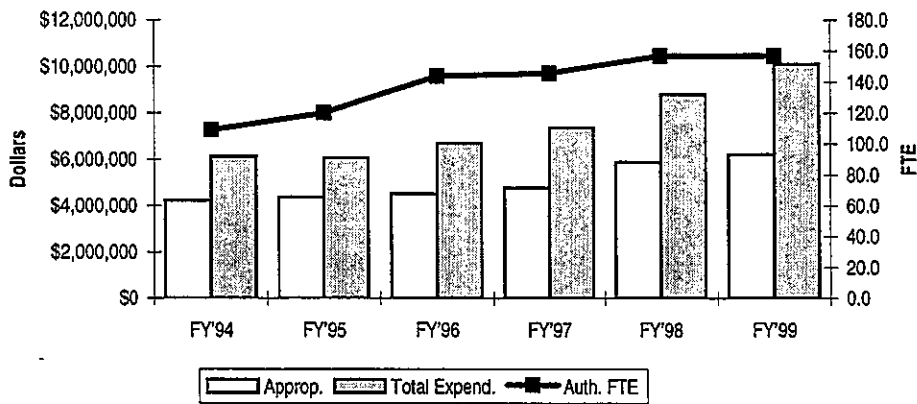


Appropriation Reference:
 HB 3050, Section 118
 SB 944, Section 1

Expenditure Limit Reference:
 SB 944, Sections 2-3

Attorney General

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$4,227,501	-9.0%	\$6,129,774	1.0%	107.0	109.0
FY'95	\$4,378,068	3.6%	\$6,060,229	-1.1%	106.9	120.0
FY'96	\$4,524,897	3.4%	\$6,703,496	10.6%	95.0	144.0
FY'97	\$4,778,220 *	5.6%	\$7,372,444	10.0%	127.6	146.0
FY'98	\$5,881,176	23.1%	\$8,804,333	19.4%	145.0	157.0
FY'99	\$6,223,246	5.8%	\$10,114,890	14.9%		157.0
6 Year Change-	\$1,995,745	47.2%	\$3,985,116	65.0%		
Infl. Adjusted 6 Year Change	\$1,332,940	31.5%	\$2,907,833	47.4%		

* Includes \$502,073 appropriated supplementally.

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94 appropriations were reduced 5% or \$222,500 due to statewide budget reallocations.

In FY'95, \$89,830 and 3.0 FTE were provided to establish an Employment Litigation Defense Section to manage increasing cases. Also, the Workers' Comp Fraud Unit was expanded by 7.0 FTE, paid out of Special Indemnity Funds and revolving funds.

In FY'96 the Attorney General received \$248,750 for a one-time settlement of a lawsuit regarding judicial districts. Also added were 15.0 FTE for legal representation of other state agencies, 5.0 FTE for general duties, 2.0 Investigators and 1.0 Attorney for Workers' Comp Fraud investigation, and 1.0 within the General Counsel Division.

In FY'97 authorization for an attorney and secretary was provided, without added funding, to complete staffing of the AG's office in Tulsa. The Governor vetoed a \$975,287 appropriation for operations costs; a supplemental appropriation of \$502,073 was made during the 1998 session.

In FY'98, 11.0 FTE were added along with \$841,844 to support those and existing positions within the following divisions: Medicaid fraud, litigation, worker's comp fraud, consumer protection, administration, and financial fraud/special investigations. \$400,000 was added for phase 1 of a plan to increase attorneys' salaries.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	5,881,176	157.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
<i>General Appropriations Bill Funding Adjustments</i>		
1. Attorney General's Salary Increase pursuant to HB 1895 (1997), effective January 1999.	11,625	
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	233,067	
2. Medicaid Fraud Unit - Funds were provided to support three existing positions: one attorney and two investigators.	37,378	
3. Salary Parity Plan - Funds were provided for Phase II of a plan to raise salaries at the AG's office.	60,000	
Total Adjustments	<u>342,070</u>	<u>0.0</u>
C. FY'99 Appropriation	<u><u>6,223,246</u></u>	<u><u>157.0</u></u>

III. GOVERNOR'S VETOES





None.

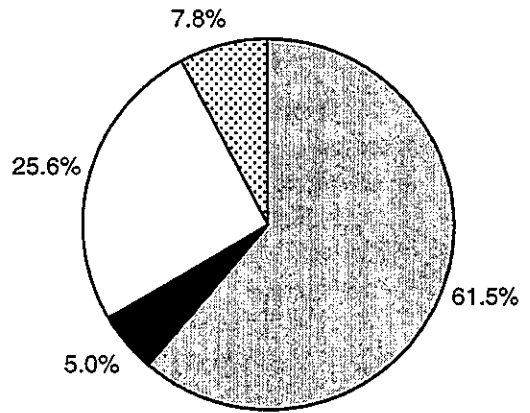
IV. OTHER ISSUES

SB 1357, the Oklahoma Antitrust Reform Act, authorizes the Attorney General to obtain injunctive or equitable relief for any restraint of trade or commerce in Oklahoma.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$6,223,246	
Carryover	\$510,739	
Revolving Funds	\$2,589,132	
Federal Funds	\$791,773	
Total FY'99 Budget	\$10,114,890	

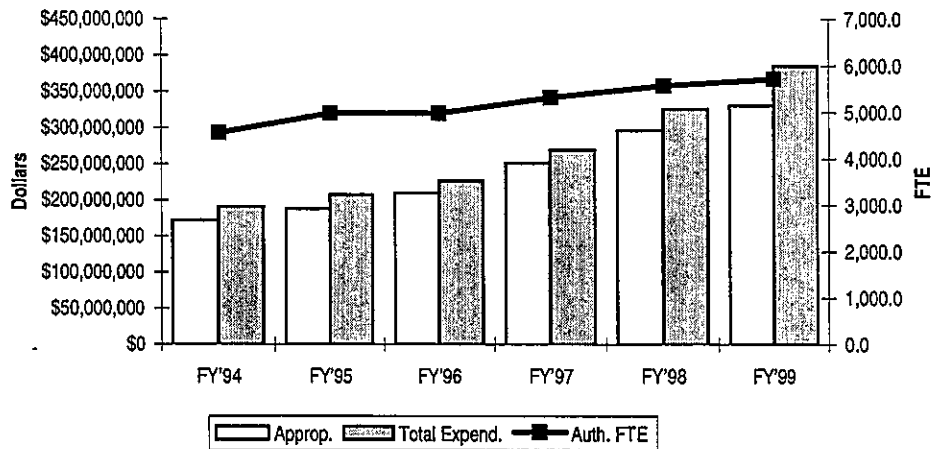


Appropriation Reference:
 HB 3050, Sections 100 and 102
 SB 907, Section 1

Expenditure Limit Reference:
 SB 907, Sections 2-3

Department of Corrections

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$172,183,728	-0.4%	\$191,029,360	-1.3%	4,258.6	4,558.0
FY'95	\$188,110,994 ¹	9.3%	\$207,073,714	8.4%	4,292.7	4,980.0
FY'96	\$209,915,227 ²	11.6%	\$227,314,208	9.8%	4,720.6	4,985.0
FY'97	\$251,364,812 ³	19.7%	\$269,764,777	18.7%	4,762.6	5,321.0
FY'98	\$296,504,307	18.0%	\$326,135,832	20.9%	5,078.2	5,577.0
FY'99	-- \$331,165,993	11.7%	\$385,601,641	18.2%		5,720.0
 6 Year Change	 \$158,982,265	 92.3%	 \$194,572,281	 101.9%		
 Infl. Adjusted						
6 Year Change	\$123,711,548	71.8%	\$153,503,915	80.4%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

1 Includes supplemental appropriation of \$2,944,273.

2 Includes supplemental appropriation of \$8,252,798.

3 Includes supplemental appropriation of \$4,236,340.

In FY'94, \$210,157 was provided to assist opening of new beds partially funded in FY'93. Due to the overcrowding crisis with the prison system, DOC was exempted from the budget reductions experienced by other state agencies.

In FY'95, the legislature authorized about 550 new beds within DOC. More than \$13 million in capital outlays were provided, including \$10 million for repairs to existing facilities and \$3 million to renovate portions of Eastern State Hospital (ESH) in Vinita into correctional bed space. The agency was provided \$3 million and 161 FTE for operation of a new 300 bed minimum security unit at ESH. This conversion will allow the mental health unit at J. Harp C.C. to be transferred to ESH, freeing up space for 150 medium security inmates at J. Harp C.C. \$400,000 and 12 FTE was appropriated for a new work center housing up to 100 inmates. \$2.5 million was provided for operation of bed space added in prior years that had been funded with carryover. \$2 million was provided for expansion of the Community Service Sentencing Program to add Oklahoma County and fully fund existing county programs. Another \$300,000 was provided to establish three inmate literacy program sites. Civilian employees received an \$800 annual salary increase while Correctional Officers and Probation Officers received a 6% pay increase. \$3,850,878 was provided to the agency to cover the state share of this cost for nine months. In addition, authorization for 39 FTE was provided for expansion of prison industry manufacturing operations.

In FY'96 the legislature provided full-year funding of \$5.7 million for 700 beds added by the FY'95 Prison Crowding Emergency Plan. \$4.5 million was provided to fully fund the 300 bed Bill Johnson Drug Offender Work Camp in Alva. Additional operating funds totaling \$1.4 million was appropriated for the N.E. Oklahoma C.C. in Vinita. \$231,700 in operational funds was provided for the Holdenville Work Center previously funded by one-time Rainy Day Funds. \$793,000 was appropriated to replace carryover funds used for recurring operating expenses. \$1.8 million was provided to support about 50 authorized but unfunded FTE positions at existing facilities. A supplemental for FY'96 operations totaling \$9.2 million was approved during the 1996 Legislative Session, including; \$4.8 million for 969 private prison beds, \$2.0 million to support 150 added correctional officers and probation officers, \$169,800 for security equipment for Probation Officers, \$285,000 to support energy contract payments at W.S. Key C.C., and \$2.0 million for infrastructure repairs at existing facilities.

In FY'97, the Legislature appropriated \$18 million for continuing costs of programs supported with supplemental funding during FY'96 (\$14.2 million for 960 private beds, \$3.4 million for 150 FTE security staff, \$57,000 for Probation and Parole security equipment, and \$285,000 for energy contracts at W.S. Key CC). Also provided: \$12.8 million for 800 private prison beds; \$1.5 million for full-year costs of minimum-security NEOCC; \$511,500 to expand the Frederick Work Center from 50 to 100 beds; \$885,800 for partial-year costs of a new medium-security reassessment center at NEOCC; \$122,000 to add 45 beds to the J. Harp CC mental health unit; \$3.2 million to increase county per-diem rates to \$24/day (legislation vetoed); \$1 million for start-up costs of SB 1200, Community Corrections Act (legislation did not pass); and \$136,245 for supervision of inmate work crews. The Governor vetoed a \$300,000 appropriation for a female infirmary at the M. Basset CC. During the 1997 session, supplemental appropriations of \$4.2 million were approved for FY'97 cost of the following: \$3.4 million for 1,484 private prison beds; \$235,000 for staff and operations costs at existing facilities; \$503,000 for medical and other operating costs; and \$98,340 for an infirmary at M. Basset CC.

In FY'98, these items were added: \$33.9 million to annualize programs funded with the supplemental appropriation; \$2.6 million and 37 FTE for the Community Sentencing Division; \$1.5 million for bond payments for public prison expansions authorized in FY'97; \$8.7 million for phase-in of 633 private prison beds; \$424,000 to annualize costs of assessment programs; \$2.5 million and 208 FTE for increased correctional officers; \$2.1 million for increased utility and supply costs; \$347,000 for equipment and operations of the William S. Key CC kitchen; \$200,000 and 3 FTE for a second asbestos abatement crew; 4 FTE for Oklahoma State Industries; and 8 FTE for presentence investigations under SB 745. Appropriations were reduced \$473,494 and 9 FTE for transfer of the Criminal Justice Resource Center, \$1.4 million for reduced worker's compensation costs, and \$2.4 million for carryover removed from the base.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	296,504,307	5,577.0
B. FY'99 Adjustments		
	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. One-time funding for Community Sentencing Division start-up (\$728,976) and William S. Key CC kitchen opening (\$200,000) were removed from the base.	-927,976	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	7,204,118	
2. Private Prison Beds - Annualization of 480 contract beds phased-in during FY'98 and 786 new beds projected to be needed during FY'99.	16,320,173	
3. Annualize FTE Costs - 486.0 FTE were phased in during FY'98 to increase staffing at facilities statewide.	3,808,100	
4. Correctional Officer Pay Increase - 2,542 DOC correctional officers received a salary increase averaging \$1,228 or 6% (in addition to the state employee pay raise) effective January 1999.	1,938,368	
5. Contract Medical Services - DOC will contract for medical services previously provided and budgeted by University Hospital and Griffin Memorial Hospital. The state hospitals have decreased services to DOC inmates.	917,050	

Adjustments (cont'd.)		
6. Start-up and Operating Costs of New Public Prisons - Three, 200-bed medium security prison expansion, authorized by an \$18 million bond issue in FY'98, will begin operating during FY'99 at the Lexington Assessment and Reception Center, Oklahoma State Reformatory, and Joseph Harp CC.	5,401,853	143.0
Total Adjustments	<u>34,661,686</u>	<u>143.0</u>
C. FY'99 Appropriation	<u><u>331,165,993</u></u>	<u><u>5720.0</u></u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

A. Revisions to the 1997 Truth In Sentencing Act (HB 1813, 1997), which was slated to become effective July 1, 1998, was a major issue during the 1998 session. In response to an interim study, SB 1130 was introduced to modify the act to address concerns raised by lawmakers, district attorneys, sheriffs, judges and others empanelled to study structured sentencing and community corrections proposals. HB 2927 was introduced by House leaders to make significant changes to the act. The Governor and legislators were unable to reconcile differences during the 1998 session. The Governor called the Legislature into special session beginning June 15 to address the act. Again negotiations on amending the act were unsuccessful. During the special session, HB 1002 was enacted to delay implementation of the act until July 1, 1999. The bill also extends until July 1, 1999 the current earned credits laws and the Prison Overcrowding Emergency Powers Act; both had been scheduled to expire July 1, 1998.

B. SB 951, Section 4, authorizes DOC to expend from its Industries Revolving Fund \$1 million for constructing a new Oklahoma State Industries building at the Lexington Assessment and Reception Center, \$750,000 for a new OSI building at the Oklahoma State Reformatory, and \$850,000 for a new OSI building at the Mack Alford Correctional Center. Also, the legislature authorized the purchase of land for a Pardon and Parole office in Muskogee, and purchase of a building in Lawton for a Day Reporting Center.




C. SB 951, Section 5, exempts DOC facility canteen's purchases of goods for resale from the Central Purchasing Act.

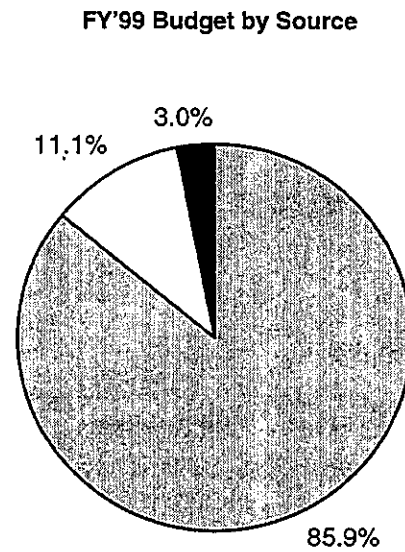
D. Legislative authorization for unclassified personnel at DOC was changed to 6% of all authorized FTE. Previously, annual legislation had limited DOC to a specific number of unclassified positions. The FY'98 limit was 304 unclassified positions (an amount equal to 5.5% of its authorized FTE).

E. SB 970, Section 6, requires DOC to transfer \$43,000 to DPS (effective April 2, 1998) to complete the FY'98 transfer of the Criminal Justice Resource Center to DPS.

F. SB 971, Section 66, authorizes DOC to establish, subject to legislative appropriation, a special correctional unit at the Joseph Harp CC in Lexington for imprisoning elderly, physically disabled or infirm inmates and providing medical care to other inmates.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$331,165,993	
Revolving Funds	\$42,705,172	
Federal Funds	\$11,730,476	
Total FY'99 Budget	<u>\$385,601,641</u>	

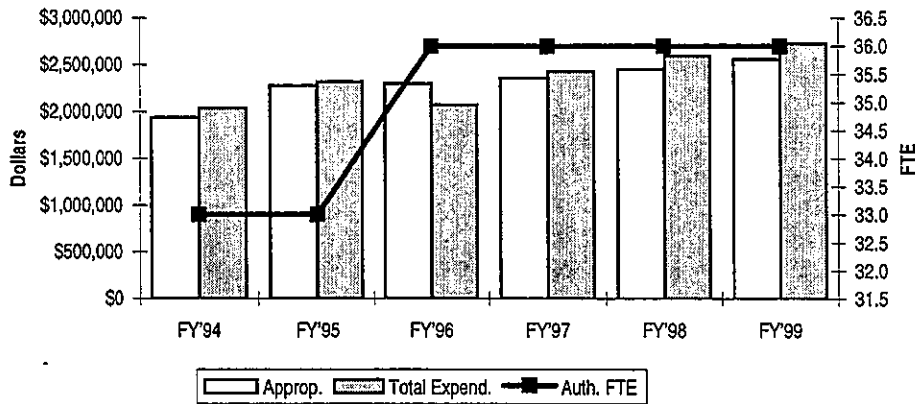


Appropriation Reference:
HB 3050, Section 119
SB 951, Section 1

Expenditure Limit Reference:
SB 951, Sections 2 and 6

Court of Criminal Appeals

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$1,936,022	7.3%	\$2,036,305	12.8%	30.0	33.0
FY'95	\$2,276,738	17.6%	\$2,316,836	13.8%	31.7	33.0
FY'96	\$2,298,819 ¹	1.0%	\$2,071,382	-10.6%	35.5	36.0
FY'97	\$2,362,575	2.8%	\$2,429,714	17.3%	36.0	36.0
FY'98	\$2,454,390	3.9%	\$2,593,963	6.8%	35.8	36.0
FY'99	\$2,562,879	4.4%	\$2,730,772	5.3%		36.0
6 Year Change	\$626,857	32.4%	\$694,467	34.1%		
Infl. Adjusted 6 Year Change	\$353,898	18.3%	\$403,627	19.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

¹ Includes supplemental appropriation of \$124,458.

In FY'94, \$67,627 or 5% was cut due to statewide budget reallocations and \$200,000 was provided to hire temporary personnel to reduce the backlog of appellate cases.

In FY'95 the court received \$301,420 to hire temporary personnel to expedite cases, \$10,243 was provided to support a 4% salary increase for judges effective January 1995, and \$178,665 was appropriated for legal fees previously incurred in the Harris v. Champion lawsuit.

In FY'96 \$202,982 was added to make full-time three temporary Judicial Assistant positions, \$98,438 was provided for temporary FTE to reduce case backlogs, \$89,249 was added to replace carryover funds used for operations, and a \$124,458 supplemental appropriation was provided for data processing needs.

In FY'97, \$16,505 was added for half-year costs of a 7% increase in judicial pay and \$116,811 was added to align staff salaries with Supreme Court staff.

In FY'98, \$16,505 was added to annualize FY'97 judicial salary increases, \$12,418 was added for half-year costs of judicial salary increases effective January 1, 1998, and \$48,032 was added for staff salary increases.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	2,454,390	36.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. Annualize FY'98 judicial salary increases for FY'99.	12,418	
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	71,071	
2. Attorney fees related to FY'95 <i>Harris v. Champion</i> lawsuit.	25,000	
Total Adjustments	108,489	0.0
C. FY'99 Appropriation	2,562,879	36.0

III. GOVERNOR'S VETOES

None.

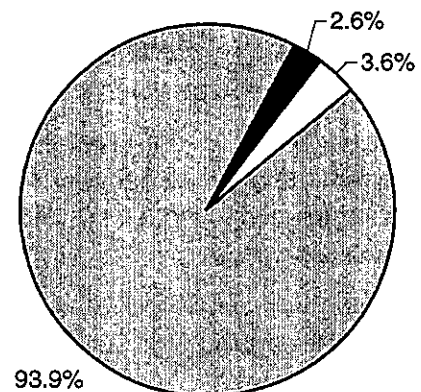
IV. OTHER ISSUES

- A. HCR 1001 states legislative intent that the Court of Criminal Appeals develop a uniform judgment and sentence form to be used by district courts.
- B. The court is budgeting \$69,684 of appropriations made to the Supreme Court in FY'99 for employer's share of judicial retirement costs.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

Appropriated Funds	\$2,562,879	▨
Transfer from Supreme Court	\$69,684	■
Carryover Funds	\$98,209	□
Total FY'99 Budget	\$2,730,772	

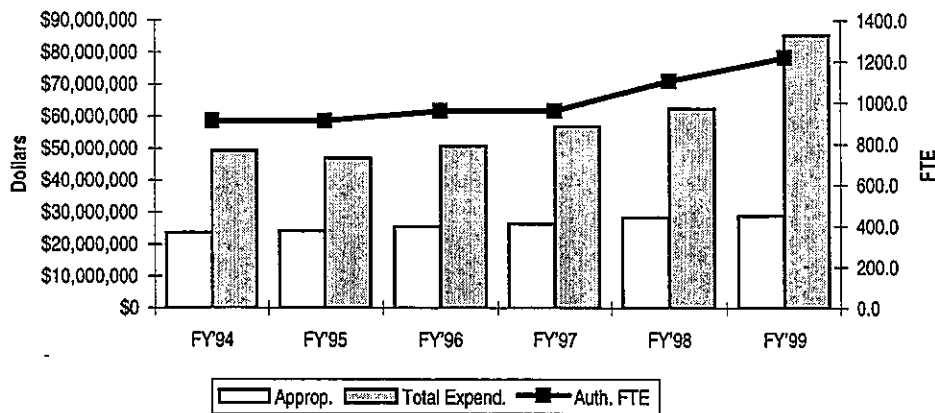


Appropriation Reference:
 HB 3050, Section 106
 SB 911, Section 1

Expenditure Limit Reference:
 SB 911, Sections 2 and 4

District Attorneys and District Attorneys Council

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$23,668,102	-4.6%	\$49,320,223	4.4%	910.0	912.0
FY'95	\$24,219,173	2.3%	\$47,020,115	-4.7%	911.5	912.0
FY'96	\$25,611,743	5.7%	\$50,832,279	8.1%	974.3	962.0
FY'97	\$26,512,450 ¹	3.5%	\$57,016,747	12.2%	1,006.1	962.0
FY'98	\$28,485,500	7.4%	\$62,610,562	9.8%	1,054.8	1,106.0
FY'99	\$29,099,939	2.2%	\$85,372,886	36.4%		1,220.0
6 Year Change	\$5,431,837	23.0%	\$36,052,663	73.1%		
Infl. Adjusted 6 Year Change	\$2,332,558	9.9%	\$26,960,054	54.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

¹ Includes supplemental appropriation of \$139,140.

In FY'94 the agency received a 5% or \$1.1 million reduction in appropriated funds. DA salaries were exempted from the reduction calculation.

In FY'95 District Attorneys received a 5% salary increase costing \$46,160 effective January 1, 1995. A one-time appropriation of \$56,800 was provided to purchase computer equipment in the first phase of a three-year project to automate financial and caseload information at all district offices.

In FY'96 \$1.1 million and 50 staff positions were provided to support operations of District Attorneys statewide. \$100,000 was appropriated to support prosecution of the Murrah Building bombing perpetrators.

In FY'97 DAC received \$67,000 for statutorily mandated pay increases for District Attorneys effective January 1997.

In FY'98, DAC received \$67,000 to annualize FY'97 DA salary increases, \$1.1 million and 44 FTE for additional personnel at DA offices statewide, and \$649,646 in Rainy Day Funds for prosecution of the Murrah Building bombing. Also, 50 FTE were provided for the Bogus Check Division and 50 FTE were provided for the Child Support Division, all of which will be funded by increased collections. A supplemental appropriation of \$139,140 was provided for FY'97 costs of preparing for prosecution of the Murrah Building bombing.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	28,485,500	1,106.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. One-time funds to support the Murrah Building Bombing prosecution were removed from the base.	-649,646	
2. District Attorney Salary Increases - Under HB 1895 (1997), DA's salaries are schedule to increase from \$71,663 to \$85,000 on January 1, 1999.	185,838	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	828,247	
2. Expansion of Prosecutorial Services - Discretionary funds were provided for DAs to improve operations.	250,000	
3. FTE Increase - Authorization was provided for additional FTE in areas supported by grants or collections (Child Support, Bogus Check, Federal Grants, and Crime Victims Compensation Board).		102.0
4. Temporary FTE - Authorization was provided for additional personnel to prosecute the Murrah Federal Building bombing.		12.0
Total Adjustments	<u>614,439</u>	<u>114.0</u>

C. FY'99 Appropriation	<u><u>29,099,939</u></u>	<u><u>1220.0</u></u>
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III. GOVERNOR'S VETOES

None.

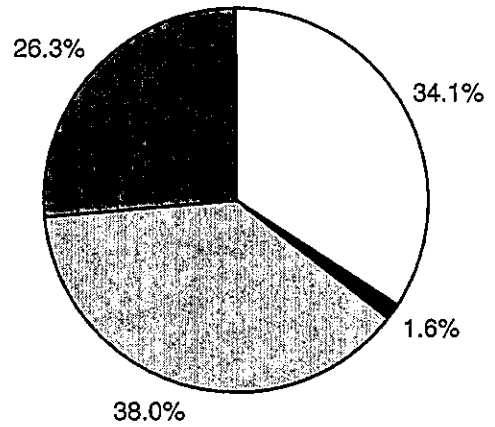
IV. OTHER ISSUES

SB 1367 provides courts with alternatives for collecting restitution for crime victims.

V. FUNDING SOURCES - FY'99 BUDGET

Appropriated Funds	\$29,099,939	□
Carryover Funds	\$1,365,517	■
Revolving Funds	\$32,427,999	▨
Federal Funds	\$22,479,431	■
Total FY'99 Budget	\$85,372,886	

FY'99 Budget by Source

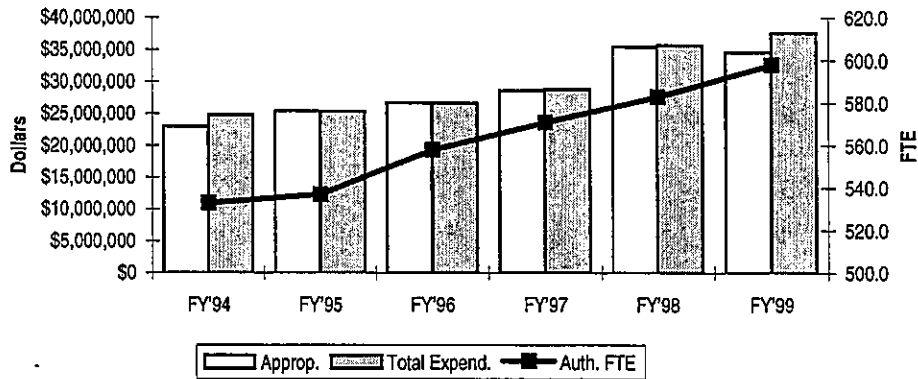


Appropriation Reference:
HB 3050, Sections 103-105
SB 907, Section 1

Expenditure Limit Reference:
SB 971, Section 68
SB 909, Section 1

District Courts

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$22,978,108	-1.9%	\$24,774,817	2.8%	525.0	533.0
FY'95	\$25,400,732	10.5%	\$25,339,234	2.3%	521.8	537.0
FY'96	\$26,687,418	5.1%	\$26,687,418	5.3%	538.4	558.0
FY'97	\$28,642,624	7.3%	\$28,793,973	7.9%	570.0	571.0
FY'98	\$35,489,654 ¹	23.9%	\$35,739,654	24.1%	582.0	583.0
FY'99	\$34,647,308	-2.4%	\$37,643,255	5.3%		598.0
6 Year Change	\$11,669,200	50.8%	\$12,868,438	51.9%		
Infl. Adjusted						
6 Year Change	\$7,979,101	34.7%	\$8,859,256	35.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

¹ Includes supplemental appropriations of \$3,307,469.

In FY'94 appropriations were cut 5% or \$629,431 due to statewide budget reallocations.

In FY'95, \$307,599 was provided for half-year costs of 4% pay raises for district judges; \$1.7 million was provided to annualize FY'94 staff salary increases; \$114,988 and 4 FTE were added for new court personnel; and \$58,670 was provided for other payroll cost increases.

In FY'96 the courts received \$1 million to support 10 new Special Judges and 11 new Court Reporters. In addition, \$381,261 was provided to annualize the cost of the FY'95 judicial and state employee pay increases. The 2.5% budget cut recommended by the Governor was restored.

In FY'97 added were \$796,803 to support half-year costs of judicial pay increases, \$206,000 for three new Special Judges, \$118,500 for four new court reporters, and \$88,750 for 5 new bailiffs.

In FY'98, added were \$800,250 for judicial salary increases effective 1-1-98, \$796,802 to annualize judicial salary increases effective 1-1-97, \$182,500 and 2 FTE for a new District Judge and Special Judge, \$217,000 and 8 FTE for new secretary bailiffs and court reporters, \$72,151 and 2 FTE for a computer programmer and cost collections officer, and \$1,181,576 for salary increases for secretary bailiffs and presiding judges' secretaries.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	32,182,185	583.0
Supplemental Funding - Three supplemental appropriations were made during the 1998 session (HB 3055, SB 963 and SB 964) due to a shortfall in the State Judicial Fund.	3,307,469	
Revised FY'98 Appropriation	35,489,654	

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. The supplemental appropriations were not included in the agency's base.	-3,307,469	
2. Judicial Salary Increase Annualization	800,250	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	767,818	
2. Continue Retired Judges Services to Courts	24,275	
3. Secretary-Bailiffs - New positions were created for the following counties: Beckham, Carter, Choctaw, Creek, Payne, Seminole, Stephens and Tulsa. In addition, \$25,725 appropriated to the Supreme Court for a new Secretary-bailiff position will be transferred and budgeted by the District Courts.	180,075	8.0
4. Court Reporters - New positions were created for Canadian, Ottawa, Tillman, Oklahoma and Rogers counties.	186,400	5.0
5. District Judge - A new seat will be created in Oklahoma County January 11, 1999. Half-year funding was provided.	49,066	1.0
6. Special Judge - A new seat will be created in Rogers County January 1, 1999. Half-year funding was provided.	38,281	1.0
7. Court-reporter Longevity - SB 835 expands the longevity pay schedule for court reporters from 9 to 20 years.	426,763	
8. Base Adjustment to remove over-funding of retirement costs of new judges added in FY'98.	-7,805	
Total Adjustments	-842,346	15.0

C. FY'99 Appropriation	34,647,308	598.0
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

A. HB 3062 requires court clerks to file financial reports with the Administrative Office of the Courts monthly rather than quarterly. More frequent reporting is expected to help policymakers project funding shortfalls, which required supplemental appropriations in the 1998 session.

B. SB 914, Section 2, allows the Supreme Court Revolving Fund to be used for expanded purposes. Section 5 requires district court clerks and judges to use the Oklahoma Court Information System at the direction of the Chief Justice of the Supreme Court.




C. SB 1367 provides courts with alternatives for collecting restitution for crime victims.

D. SB 1223 creates the District Court Mediation Act to allow courts to refer cases to mediation.

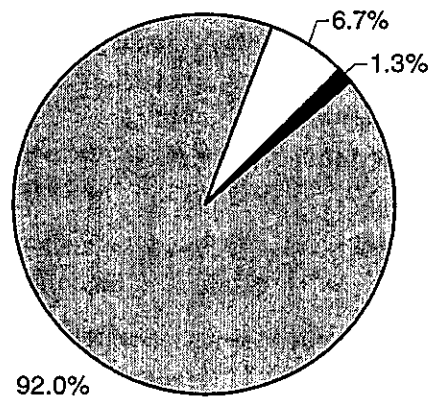
E. SB 1361 requires offenders to pay court-related drug testing costs and other fees. The court clerk is responsible for collecting and disbursing the funds.

F. The courts are budgeting \$2,525,092 of appropriations made to the Supreme Court in FY'99 for employer's share of judicial retirement costs.

V. FUNDING SOURCES - FY'99 BUDGET

Appropriated Funds	\$34,647,308	
Transfer from Supreme Court	\$2,525,092	
Carryover Funds	\$470,856	
Total FY'99 Budget	\$37,643,256	

FY'99 Budget by Source

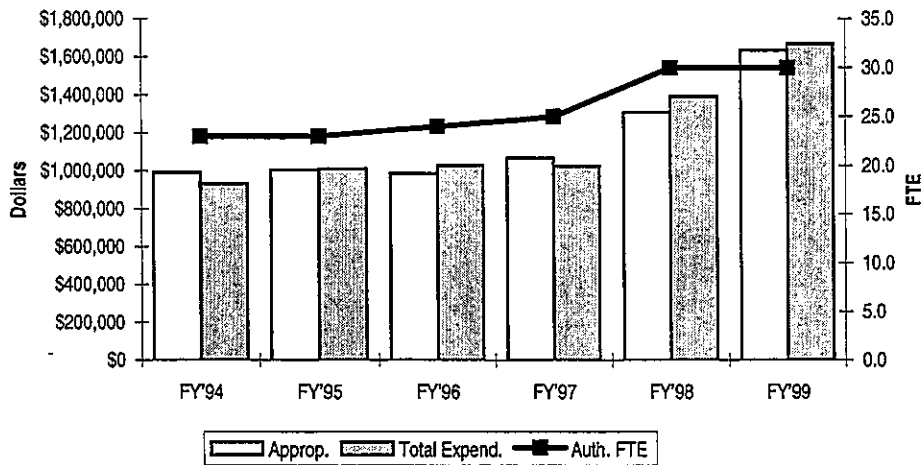


Appropriation Reference:
HB 3050, Sections 107-109
SB 911, Section 5

Expenditure Limit Reference:
SB 914, Section 7

State Fire Marshal

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$991,327	-2.0%	\$932,748	-2.2%	22.0	23.0
FY'95	\$1,006,070	1.5%	\$1,010,109	8.3%	22.1	23.0
FY'96	\$985,709	-2.0%	\$1,029,447	1.9%	23.0	24.0
FY'97	\$1,068,832 ¹	8.4%	\$1,024,090	-0.5%	22.0	25.0
FY'98	\$1,306,637	22.2%	\$1,391,617	35.9%	25.0	30.0
FY'99	\$1,634,410	25.1%	\$1,668,561	19.9%		30.0
6 Year Change	\$643,083	64.9%	\$735,813	78.9%		
Infl. Adjusted						
6 Year Change	\$469,011	47.3%	\$558,104	59.8%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'998 figure is an estimate of anticipated expenditures.

¹ Includes supplemental appropriation of \$83,123.

In FY'94, appropriated funds were reduced by 2% or \$20,231.

In FY'95 there were no specific adjustments in appropriations.

In FY'96 appropriated funds were reduced 2.5% or \$25,275. Authorization was provided for a Fire Safety Officer position to implement fire education programs statewide.

In FY'97 the agency received authorization for an added code enforcement officer to help with school inspections. The Governor vetoed an appropriation of \$227,326 that would have funded the new position and replaced carryover used to fund operations.

In FY'98, \$200,000 and 5 FTE were added for new staffing to cover increased workload, and \$74,000 was added to cover increased motor pool costs.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	1,306,637	30.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	42,559	
2. Law Enforcement Salary Increase - 25 agents at the agency will receive a pay raise averaging \$4,391 or 15% annually beginning January 1, 1999. The agents will also benefit from the 4% state employee raise.	68,311	
3. Increased Recruitment Costs - The salaries of 5 FTE added during FY'98 assumed entry-level salaries would be paid. Actual new FTE were hired at higher grades to reflect better qualifications. Funding was provided for the higher pay scales.	119,221	
4. Vehicle Leases - The agency will lease six new vehicles from the motor pool to accommodate new FTE.	54,149	
5. School Inspection Program - Ten part-time agents will begin a three-year program to inspect schools for fire safety. Manpower shortages had caused the agency to postpone regular inspections required by law.	43,533	
Total Adjustments	<u>327,773</u>	<u>0.0</u>

C. FY'99 Appropriation	<u><u>1,634,410</u></u>	<u><u>30.0</u></u>
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III. GOVERNOR'S VETOES





None.

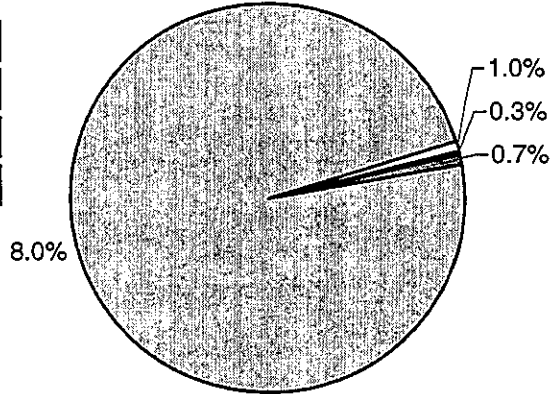
IV. OTHER ISSUES

A. SB 894 creates the State Fire Marshall Revolving Fund, which will receive fees and fines related to code enforcement and plan reviews that previously were deposited in the General Revenue Fund. The funds are authorized to be budgeted for duties, and the agency plans to use the fund as a resource for replacing equipment.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$1,634,410	
Carryover Funds	\$17,151	
Revolving Funds	\$5,000	
Federal Funds	\$12,000	
Total FY'99 Budget	\$1,668,561	

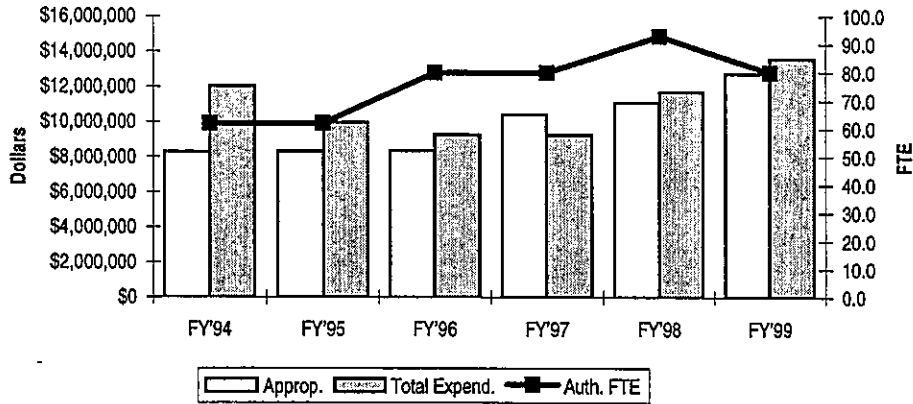


Appropriation Reference:
 HB 3050, Section 120
 HB 3013, Section 7

Expenditure Limit Reference:
 HB 3013, Sections 9-10

Indigent Defense System

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$8,297,624	-11.0%	\$12,037,200	16.9%	69.2	62.0
FY'95	\$8,334,419	0.4%	\$9,958,672	-17.3%	72.7	62.0
FY'96	\$8,362,264 ¹	0.3%	\$9,282,197	-6.8%	65.9	80.0
FY'97	\$10,413,885 ²	24.5%	\$9,270,813	-0.1%	84.7	80.0
FY'98	\$11,105,049	6.6%	\$11,719,642	26.4%	105.4	93.0
FY'99	\$12,757,570	14.9%	\$13,591,013	16.0%		80.0
6 Year Change	\$4,459,946	53.7%	\$1,553,813	12.9%		
Infl. Adjusted						
6 Year Change	\$3,101,206	37.4%	\$106,307	0.9%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

1 Includes supplemental appropriation of \$240,000.

2 Includes supplemental appropriation of \$2,291,621.

The Indigent Defense System was created in 1991, when appellate duties were transferred from the Appellate Public Defenders Office. The agency's budget was quintupled in FY'92, when trial defense duties were transferred from District Courts.

In FY'94 the appropriation was reduced \$255,413 or 2.7% due to statewide budget reallocations and \$337,667 due to unused FY'93 funds. The cuts were offset by carryover and revolving funds.

In FY'95 there were no specific adjustments to appropriations.

In FY'96 appropriated funds were reduced by 2.5% or \$224,420. Supplemental funds of \$240,000 were appropriated during the 1996 session. Also, 18 FTE were added for extra staff hours.

In FY'97 the governor vetoed appropriations of \$919,155 for caseload increases and other costs. A supplemental appropriation of \$2.3 million was enacted during the 1997 session.

In FY'98, added were \$2.4 million to support contracts for representation in non-capital cases, \$543,839 to address the backlog in capital appeals, and \$22,340 to rent additional office space.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	11,105,049	93.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	182,398	
2. Executive and Finance Personnel Budget - Funds were added to upgrade 6-7 existing positions to implement a computerized information system and more effectively manage the agency.	300,000	
3. Annualize Regional Office Budgets - Additional funding was provided for non-capital trial offices that had been opened in Clinton, Mangum and Okmulgee during FY'98 because the agency had been unable to secure county contracts for indigent defense attorneys.	124,123	
4. Purchase and Install New Telephone System	46,000	
5. Murrah Building Bombing Defense - Rainy Day funds were appropriated to the Murrah Building Bombing Revolving Fund, created by SB 909, to pay legal defense costs of bombing defendants.	1,000,000	
6. Temporary Personnel - FTE limit was reduced by positions added in FY'98 to reduce a backlog in post-conviction appeals.		-13.0
Total Adjustments	<u>1,652,521</u>	<u>-13.0</u>

C. FY'99 Appropriation	<u><u>12,757,570</u></u>	<u><u>80.0</u></u>
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III. GOVERNOR'S VETOES






None.

IV. OTHER ISSUES

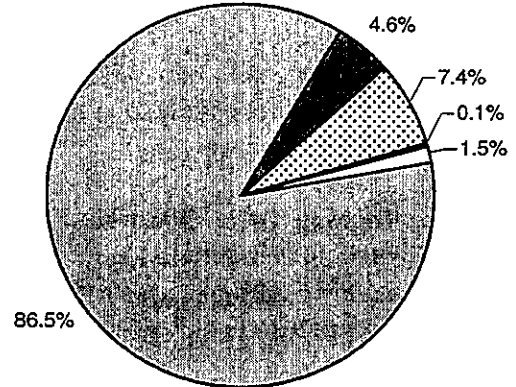
A. HB 3159 makes several amendments to the Indigent Defense Act to clarify duties of the governing board. It also clarifies maximum compensation for contract attorneys, authorizes executive sessions of the board to discuss contract negotiations, and allows the agency to contract for employee food and lodging expenses.

B. SB 907, Sections 14 and 15, reappropriate and redesignate funds originally provided to the agency in a FY'97 supplemental appropriations bill. The redesignation allows the funds to be used for additional agency operations. The reappropriation was necessary to avoid lapsing funds.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$11,757,570	
Carryover Funds	\$623,996	
Rainy Day Funds	\$1,000,000	
Federal Funds	\$10,447	
Revolving Funds	\$199,000	
Total FY'99 Budget	\$13,591,013	

FY'99 Budget by Source

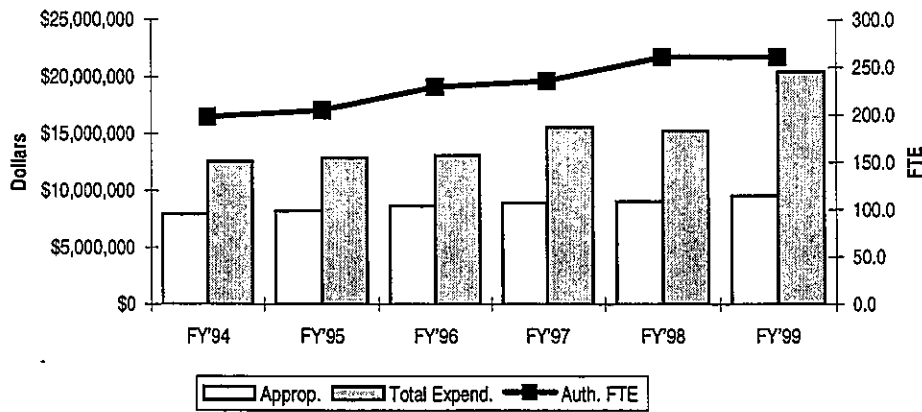


Appropriation Reference:
 SB 907, Sections 11-13
 SB 965, Section 22

Expenditure Limit Reference:
 SB 907, Section 16
 SB 909, Section 3

Oklahoma State Bureau of Investigation

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$7,944,020	-5.0%	\$12,569,409	-3.2%	183.7	198.0
FY'95	\$8,239,623	3.7%	\$12,879,961	2.5%	193.1	205.0
FY'96	\$8,677,147	5.3%	\$13,126,475	1.9%	215.1	230.0
FY'97	\$8,968,685	3.4%	\$15,591,181	18.8%	227.2	236.0
FY'98	\$9,076,669	1.2%	\$15,247,964	-2.2%	228.4	261.0
FY'99	\$9,579,808	5.5%	\$20,465,608	34.2%	261.0	261.0
6 Year Change--	\$1,635,788	20.6%	\$7,896,199	62.8%		
Infl. Adjusted						
6 Year Change	\$615,494	7.7%	\$5,716,517	45.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, funds appropriated to the agency were reduced 3.2% or \$260,212.

In FY'95, commissioned law enforcement officers received a 6% pay increase. Authorization was given for six FTE related to the AFIS fingerprint system (funded by \$343,000 in revolving funds). \$55,175 and one Agent position was provided to perform judicial background checks for the Judicial Nominating Commission. Fees for criminal history checks were increased by \$500,000 to support 5.0 FTE and higher workload in the Serology Lab. Statutes were amended to allow OSBI to maintain AFIS fee revenue of \$500,000 annually for capital projects.

In FY'96 \$381,641 was provided for operation of the DNA Laboratory and database, which had been supported with a federal grant that expired. Authorization was provided for 21 new FTE to support mandates of the Concealed Handgun Act (SB 3), which provides fee revenue to support the program. Five additional FTE were authorized for various functions to be paid through revolving funds.

In FY'97, six new criminalists were approved to be funded by revolving funds.

In FY'98, 25 FTE were authorized to be funded with revolving and federal funds for a criminal intelligence unit, a criminal records audit unit and marijuana analysis program.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	9,076,669	261.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	353,139	
2. Law Enforcement Pay Increase - Funds were provided to increase salaries for 130 law enforcement personnel by an average of \$12,402 or 37.3%. These appropriated funds were supplemented with \$731,458 of internalized savings and about \$100,000 of funds for the statewide employee pay raise to meet the total half-year cost of \$981,458.	150,000	
Total Adjustments	<u>503,139</u>	<u>0.0</u>

C. FY'99 Appropriation	<u>9,579,808</u>	<u>261.0</u>
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III. GOVERNOR'S VETOES





None.

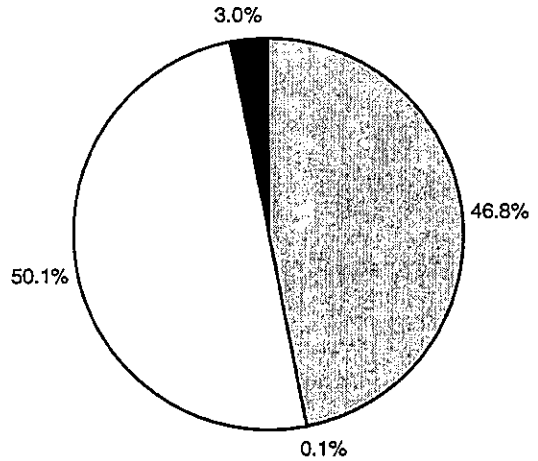
IV. OTHER ISSUES

- A. SB 948, Section 7, excludes overtime hours from FTE limits for FY'99.
- B. SB 948, Section 8, provides for sale of surplus revolvers to employees, with proceeds deposited in the OSBI revolving fund.
- C. SB 971, Section 63, establishes a salary schedule for OSBI agents consistent with the FY'99 law enforcement pay increase. It amended HB 2915, Section 1, which would have authorized agents to receive the statewide employee pay increase in addition to the law enforcement raise.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

General Fund Appropriations	\$9,579,808	
Carryover Funds	\$11,848	
Revolving Funds	\$10,258,034	
Federal Funds	\$615,918	
Total FY'99 Budget	\$20,465,608	

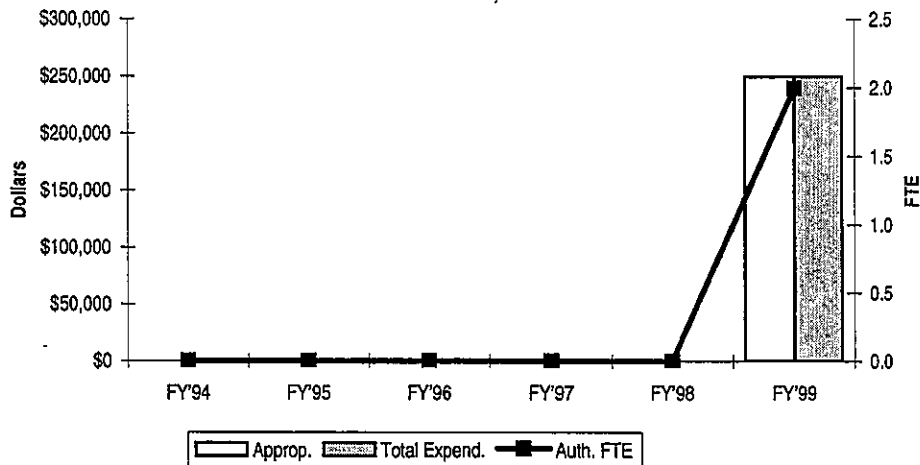


Appropriation Reference:
 HB 3050, Section 121
 SB 944, Section 8

Expenditure Limit Reference:
 SB 944, Section 9
 SB 948, Section 7

Council on Judicial Complaints

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$0	N/A	\$0	N/A	N/A	N/A
FY'95	\$0	N/A	\$0	N/A	N/A	N/A
FY'96	\$0	N/A	\$0	N/A	N/A	N/A
FY'97	\$0	N/A	\$0	N/A	N/A	N/A
FY'98	\$0	N/A	\$0	N/A	N/A	N/A
FY'99	\$250,000	N/A	\$250,000	N/A		2.0

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

The Council was created as an executive branch agency July 1, 1998, pursuant to HB 3063. The Council had been administered since 1974 by the Administrative Office of the Courts under the Supreme Court. The Council, which began operations with 1.0 FTE transferred from the Supreme Court plus professional service contracts, processes and investigates allegations of judicial misconduct.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	0	0.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. None.		
<i>Other Appropriation Adjustments</i>		
1. Base Funding - The council was created as an executive branch agency by HB 3060. Its budget consists of 2.0 authorized FTE (the director transferred from the Supreme Court), \$175,000 in operations expenses and \$75,000 for attorney services contracts.	250,000	2.0
Total Adjustments	<u>250,000</u>	<u>2.0</u>
C. FY'99 Appropriation	<u><u>250,000</u></u>	<u><u>2.0</u></u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

None.

V. FUNDING SOURCES - FY'99 BUDGET

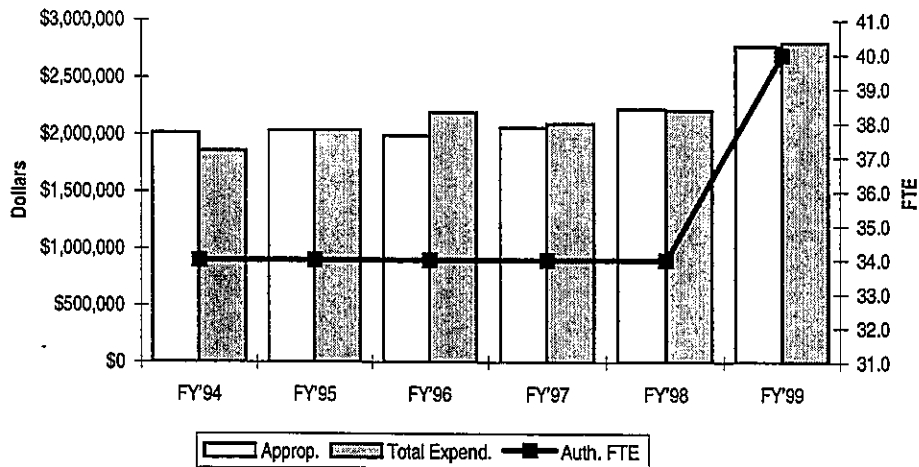
The entire FY'99 budget (\$250,000) is funded through General Revenue Fund Appropriations.

Appropriation Reference:
HB 3064, Section 1

Expenditure Limit Reference:
HB 3064, Section 2-3

Council on Law Enforcement Education and Training

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$2,016,547	-5.0%	\$1,858,896	-1.3%	29.8	34.0
FY'95	\$2,037,261	1.0%	\$2,039,456	9.7%	31.6	34.0
FY'96	\$1,993,062	-2.2%	\$2,198,349	7.8%	32.7	34.0
FY'97	\$2,063,830	3.6%	\$2,096,061	-4.7%	33.0	34.0
FY'98	\$2,226,483	7.9%	\$2,216,860	5.8%	34.0	34.0
FY'99	\$2,777,814	24.8%	\$2,807,814	26.7%		40.0
6 Year Change	\$761,267	37.8%	\$948,918	51.0%		
Infl. Adjusted						
6 Year Change	\$465,417	23.1%	\$649,873	35.0%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, funds appropriated to the agency were reduced 5% or \$105,134.

In FY'95, there were no specific adjustments to the agency's appropriation.

In FY'96, funds appropriated to the agency were reduced 2.5% or \$51,104.

In FY'97 the agency received \$19,000 for increase in facility rent and meal costs.

In FY'98 \$85,812 was provided for a new training academy and \$60,000 was added for increased operations costs.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	2,226,483	34.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	54,844	
2. Basic Academy - Funds and FTE were provided to reduce the 6-8 month backlog of basic training for new peace officers.	349,852	4.0
3. Continuing and Advanced Education Programs - One instructor and a curriculum development specialist will be added to increase the capacity of CLEET's continuing education programs, attendance at which are mandatory for peace officers.	146,635	2.0
Total Adjustments	<u>551,331</u>	<u>6.0</u>

C. FY'99 Appropriation	<u>2,777,814</u>	<u>40.0</u>
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

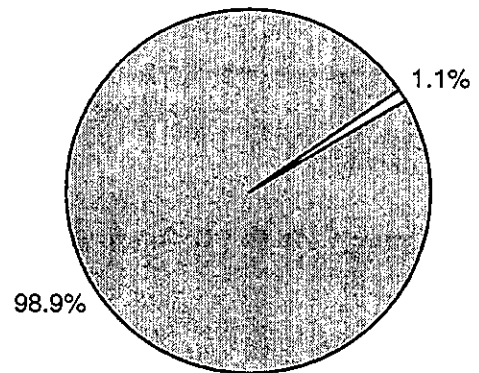
The agency director's salary was increased from \$47,749 to \$50,136, a raise of \$2,387 or 5.0%.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

Appropriated Funds
Revolving Funds
Total FY'99 Budget

\$2,777,814	■
\$30,000	□
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\$2,807,814	

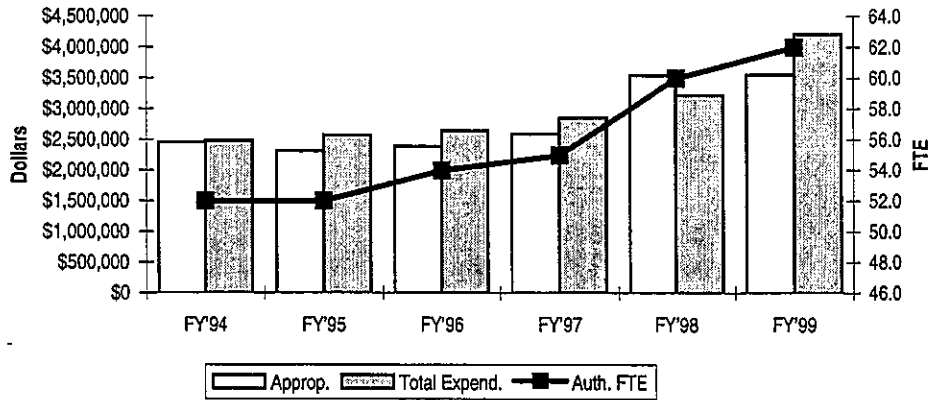


Appropriation Reference:
HB 3050, Sections 122-124
SB 944, Section 4

Expenditure Limit Reference:
SB 944, Sections 5-6

Board of Medicolegal Investigations

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$2,455,557	-5.4%	\$2,481,183	-4.9%	46.9	52.0
FY'95	\$2,311,626 ¹	-5.9%	\$2,571,548	3.6%	50.3	52.0
FY'96	\$2,391,391	3.5%	\$2,646,576	2.9%	50.6	54.0
FY'97	\$2,594,072	8.5%	\$2,850,877	7.7%	54.4	55.0
FY'98	\$3,544,014	36.6%	\$3,222,077	13.0%	58.6	60.0
FY'99	\$3,555,031	0.3%	\$4,211,031	30.7%		62.0
6 Year Change ^{**}	\$1,099,474	44.8%	\$1,729,848	69.7%		
Infl. Adjusted						
6 Year Change	\$720,847	29.4%	\$1,281,354	51.6%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

¹ Includes supplemental appropriation of \$31,665.

In FY'94, appropriations were cut 1.3% or \$30,500 due to statewide budget reallocations. Cremation fees were increased to generate \$76,000 and prevent other operations cuts.

In FY'95, cremation permit fees collected by the agency were retained in its revolving fund instead of remitted to the General Revenue Fund, which resulted in a base appropriations decrease of \$247,664. The agency requested the switch so it could capture growth revenues. Also, \$39,420 was added for a half-time pathology assistant and a full-time toxicology lab assistant.

In FY'96, \$100,000 and 2.0 FTE were added for additional pathology staff.

In FY'97 \$117,000 and 1.0 FTE was provided for a pathologist position in Tulsa.

In FY'98, \$169,000 and 4 FTE were added to create a regional investigator system to serve rural areas, \$756,000 was provided for one-time capital and equipment costs, and authorization was provided to add 1 FTE pathologist assistant.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	3,544,014	60.0

B. FY'99 Adjustments	Total	FTE
General Appropriations Bill Funding Adjustments		
1. One-time funding for capital improvements to the Tulsa Office (\$347,000) and equipment purchases (\$409,670) was removed from the base.	-756,670	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	96,427	
2. Agency Salary Upgrades - 35 professional staff were provided salary increases averaging \$4,069 or 10.2% to align pay scales with other agencies. The increases are effective January 1, 1999.	142,260	
3. Remodel Tulsa Office (Phase 2)	346,500	
4. Continuing Education - Funds were provided for medical personnel to obtain continuing education as required by the Board of Medical Licensure and Supervision.	41,000	
5. Uniform Allowance - Staff uniforms will be replaced on a regular basis.	6,600	
6. Laboratory and Morgue Equipment	134,900	
7. SB 971, Section 61, authorizes an increase of 2 FTE and stipulates that the positions are contingent on federal grants.		2.0
Total Adjustments	11,017	2.0

C. FY'99 Appropriation	3,555,031	62.0
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III. GOVERNOR'S VETOES

None.

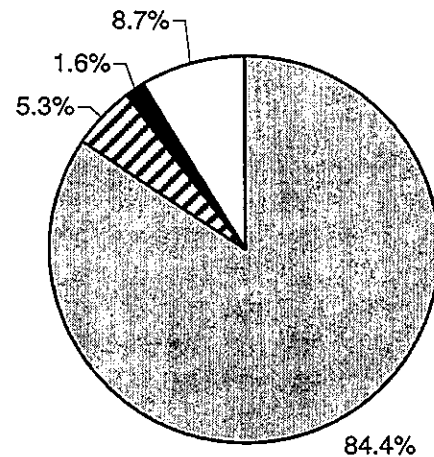
IV. OTHER ISSUES

SB 948, Section 5, authorizes an increase in the salary of the Chief Medical Examiner from \$102,481 to \$120,000, a raise of \$17,519 or 17.1%.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$3,555,031	
Carryover	\$225,000	
Federal Funds	\$65,700	
Revolving Funds	\$365,300	
Total FY'99 Budget	\$4,211,031	

FY'99 Budget by Source

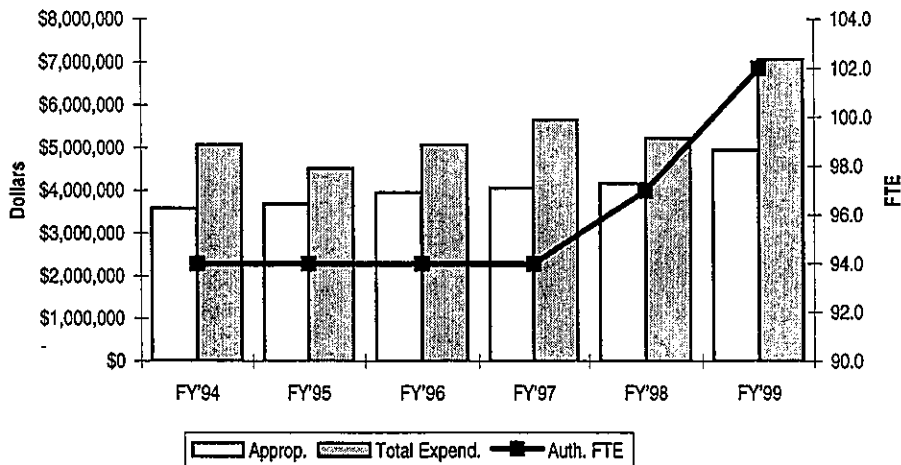


Appropriation Reference:
HB 3050, Section 125
SB 944, Section 27

Expenditure Limit Reference:
SB 948, Section 5
SB 971, Section 61

Bureau of Narcotics and Dangerous Drugs

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$3,582,271	-6.6%	\$5,074,182	7.2%	83.2	94.0
FY'95	\$3,687,601	2.9%	\$4,511,949	-11.1%	75.9	94.0
FY'96	\$3,947,711	7.1%	\$5,071,369	12.4%	79.4	94.0
FY'97	\$4,064,315	3.0%	\$5,660,700	11.6%	80.0	94.0
FY'98	\$4,163,872	2.4%	\$5,224,175	-7.7%	87.0	97.0
FY'99	\$4,954,174	19.0%	\$7,060,176	35.1%		102.0
6 Year Change	\$1,371,903	38.3%	\$1,985,994	39.1%		
Infl. Adjusted						
6 Year Change	\$844,260	23.6%	\$1,234,052	24.3%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, appropriated funds were reduced by 5.7% or \$219,202.

In FY'95, commissioned law enforcement officers received a 6% pay increase.

In FY'96 \$225,000 was added for the Oklahoma Schedule Two Abuse Reduction System (OSTAR).

In FY'98, \$57,949 and 2.0 FTE were added to increase marijuana eradication efforts, and 1.0 FTE was added for a fiscal officer position.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	4,163,872	97.0
B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. None.		
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	140,188	
2. Law Enforcement Pay Plan - An average pay increase of \$11,000 or 34% was provided for the agency's 57 agents effective January 1999. About \$39,000 of funds appropriated for state employee pay was used to help pay costs of the law enforcement raise.	383,914	
3. Woodward District Office - 3.0 FTE agents and 1.0 FTE secretary were provided to serve northwest Oklahoma.	266,200	4.0
4. Fiscal Officer Position Authorization (see "Other Issues")	0	1.0
Total Adjustments	<u>790,302</u>	<u>5.0</u>
C. FY'99 Appropriation	<u><u>4,954,174</u></u>	<u><u>102.0</u></u>

III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

A. HB 2737, Section 3, adds one fiscal officer to the list of authorized unclassified positions at BNDD. The fiscal officer had been occupying the deputy director slot. SB 948, Section 4, adds 1.0 FTE for the position, although the agency's FTE limit had already been adjusted for this purpose during the 1997 session (HB 1837, 1997).

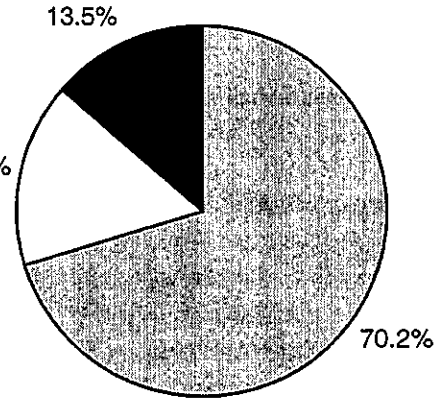
B. HB 2624, Section 2, changes qualifications of future BNDD agents. The bill deletes requirements of law enforcement experience and adds a bachelor's degree requirement.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations
Revolving Funds
Federal Funds
Total FY'99 Budget

\$4,954,174	
\$1,150,515	
\$955,487	
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\$7,060,176	

FY'99 Budget by Source

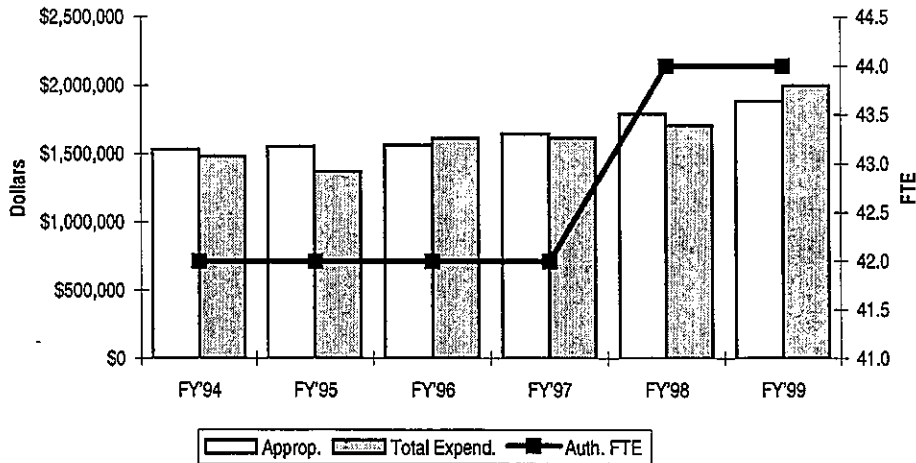


Appropriation Reference:
HB 3050, Section 126
SB 944, Section 13

Expenditure Limit Reference:
SB 944, Section 15
SB 948, Section 4

Pardon and Parole Board

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$1,530,416	0.0%	\$1,482,419	-3.1%	37.2	42.0
FY'95	\$1,556,632	1.7%	\$1,370,872	-7.5%	33.3	42.0
FY'96	\$1,565,369	0.6%	\$1,615,133	17.8%	36.3	42.0
FY'97	\$1,648,077	5.3%	\$1,622,249	0.4%	37.3	42.0
FY'98	\$1,794,291	8.9%	\$1,710,352	5.4%	36.9	44.0
FY'99	\$1,885,752	5.1%	\$1,999,487	16.9%		44.0
6 Year Change	\$355,336	23.2%	\$517,068	34.9%		
Infl. Adjusted						
6 Year Change	\$154,495	10.1%	\$304,113	20.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

In FY'94, FY'95 and FY'96 there were no specific adjustments to the agency's budget.

In FY'97 the agency received \$9,692 for increased costs of report distribution.

In FY'98 \$64,578 and 2 FTE investigators were provided to serve in Holdenville and Cushing, \$16,550 was provided for increased operational expenses, \$35,254 was provided for one-time retirement expenses, and \$12,000 was provided to increase board member pay from \$600 to \$800/month.

II. FY'99 APPROPRIATION ADJUSTMENTS

	Total	FTE
A. FY'98 Appropriation	1,794,291	44.0
B. FY'99 Adjustments		
<i>General Appropriations Bill Funding Adjustments</i>		
1. One-time funding for retirement costs were removed from the base.	-35,254	
<i>Other Appropriation Adjustments</i>		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	56,859	
2. Computer Maintenance Contracts	24,500	
3. Retirement Costs - Four employees are eligible to retire during FY'99. Funds were provided for one-time costs of terminal leave.	45,356	
Total Adjustments	91,461	0.0
C. FY'99 Appropriation	1,885,752	44.0

III. GOVERNOR'S VETOES

None.

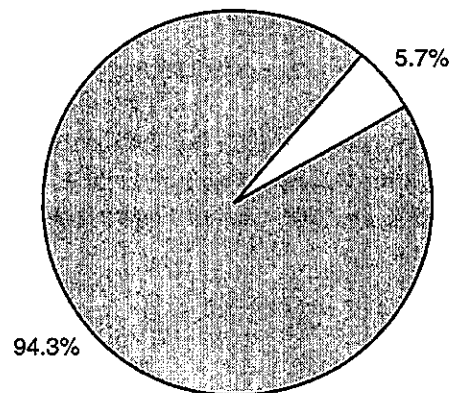
IV. OTHER ISSUES

A. SB 970 increases salaries of Pardon and Parole Board members from \$7,200 to \$9,600 annually. \$12,000 was added to agency's base in FY'98 to cover this cost, but statutory authorization was not enacted until FY'99. The last pay increase for board members was enacted in 1988.

V. FUNDING SOURCES - FY'99 BUDGET

General Fund Appropriations	\$1,885,752	█
Carryover Funds	\$113,735	█
Total FY'99 Budget	\$1,999,487	

FY'99 Budget by Source

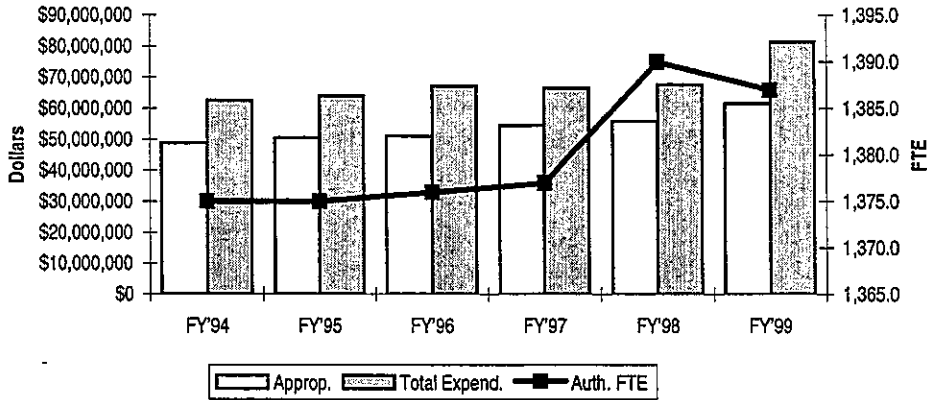


Appropriation Reference:
 HB 3050, Section 127
 SB 951, Section 9

Expenditure Limit Reference:
 SB 951, Sections 10-11

Department of Public Safety

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$48,801,530	-5.0%	\$62,499,627	-2.4%	1,318.9	1,375.0
FY'95	\$50,571,602	3.6%	\$63,978,178	2.4%	1,318.2	1,375.0
FY'96	\$51,024,134	0.9%	\$67,215,546	5.1%	1,329.0	1,376.0
FY'97	\$54,573,835	7.0%	\$66,556,409	-1.0%	1,302.0	1,377.0
FY'98	\$55,829,613 ¹	2.3%	\$67,652,334	1.6%	1,322.5	1,390.0
FY'99	\$61,544,635	10.2%	\$81,506,411	20.5%		1,387.0
6 Year Change	\$12,743,105	26.1%	\$19,006,784	30.4%		
Infl. Adjusted						
6 Year Change	\$6,188,315	12.7%	\$10,325,973	16.5%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

¹ Includes \$96,750 appropriated supplementally.

In FY'94, appropriated funds were reduced by 5% or \$2.6 million. The Highway Safety Office's 13 FTE and \$3.4 million budget (mostly federal funds) were transferred to DPS from ODOT. Revolving funds were increased \$461,000 for patrolling new turnpikes.

In FY'95, commissioned law enforcement officers of the Capitol Patrol and Lake Patrol received a 6% pay increase, and Highway Patrol officers received raises of 3.4% to 19% due to revisions to their statutory salary schedule. \$1.8 million was provided for this and other payroll costs.

In FY'96 the agency received \$27,326 for a new drivers license examiner position.

In FY'97 \$1.2 million was provided to support an academy for 60 trooper cadets and \$692,000 to lease-purchase and operate an aircraft for the Governor. SB 1209 provided one-time fees of \$500,000 for purchase of patrol vehicles. Also provided were \$7,500 for intoxilizer equipment and one FTE for a Capitol Patrol officer to provide security for the Supreme Court.

In FY'98 \$1.3 million was provided to support a 72-cadet trooper academy. \$473,494 and 13 FTE for the Criminal Justice Resource Center were transferred from the Corrections Department. \$96,750 was provided in a supplemental appropriation to fund a Capital Patrol pay increase.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	55,732,863	1,390.0
Supplemental Funding - SB 963, Section 10, provides funding for three-months cost of the Capitol Patrol salary increase enacted in SB 764.	96,750	
Revised FY'98 Appropriation	<u>55,829,613</u>	

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. One-time funding for the 1998 trooper academy was removed from the base.	-1,330,570	
2. The supplemental appropriation was not added to the agency's base.	-96,750	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	1,860,660	
2. Annualize Capitol Patrol Salary Increase - SB 764, as amended by HB 3160, provided the patrol a salary increase averaging \$5,657 or 27.5% effective April 1, 1998. A supplemental appropriation of \$96,750 was approved in March 1998 to cover FY'98 costs of the raise. Full-year cost is \$387,263.	290,513	
3. Law Enforcement Salary Increases - Pay increases to reflect compensation for hazardous duty were authorized in HB 3160 as follows, effective January 1, 1999 (half-year funding provided):	3,724,991	
Highway Patrol, 711 FTE, average \$10,034 or 27.2%	3,059,204	
Lake Patrol, 45 FTE, \$17,523 or 60.3%	359,339	
Communications Personnel, 100 FTE, \$7,422 or 27.5%	306,448	
4. Additional Driver's License Examiner	29,755	1.0

Adjustments (cont'd.)

5. Patrol Academy - The department will train 72 cadets in 1999 to offset higher retirements in FY'98 and FY'99. Under the Deferred Option Retirement Program, 24 troopers are retiring during FY'98 and FY'99, compared to the average yearly retirement of 12.	1,369,917	
6. OK First - DPS will pass-through funds to support a weather information program administered by the Oklahoma Climatological Survey and the University of Oklahoma.	250,000	
7. Supreme Court Security - Funds were provided to add a Capitol Patrol Officer dedicated to the Workers' Compensation Court.	26,600	1.0
8. Capitol Security - Funds were provided to add 4 Capitol Patrol Officers to increase security in the Capitol.	106,400	4.0
9. Criminal Justice Resource Center Transfer to LSB (SB 916) - The transfer reflects 9 FTE removed, although 13 FTE had been added for the transfer (9 during 1997 session, and 4 during 1998).	-516,494	-9.0
Total Adjustments	5,715,022	-3.0

C. FY'99 Appropriation

<u>61,544,635</u>	<u>1,387.0</u>
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

A. HB 3160 authorizes several organizational changes within DPS and provides for increased salary schedules for trooper, lake patrol, capitol patrol and communications staff.

B. SB 764 provides for increased pay for capitol patrol officers effective April 1998. HB 3160 repealed the SB 764 pay scale and enacted a new scale effective January 1, 1999. Capitol patrol officers are being paid according to the SB 764 scale until January 1, 1999.

C. SB 916 transfers the Criminal Justice Resource Center from DPS to the Legislative Services Bureau effective July 1, 1998.

D. SB 970, Section 5, amends FY'98 FTE limits to reflect 4 new FTE at the Criminal Justice Resource Center, which had been unable to fill four positions due to questions about the agency's classified status after the veto of SB 79 (1997). The center did not add FTE; the limits were increased to facilitate creation of unclassified slots.

E. SB 970, Section 6, required the Department of Corrections to transfer \$43,000 to DPS during FY'98 to complete the transfer of the Criminal Justice Resource Center. The amount reflects funds that were left out of the original 1997 session budget adjustment for the transfer.




F. SB 949, Section 1, directs that personnel of the Criminal Justice Resource Center within the Department of Public Safety are unclassified.

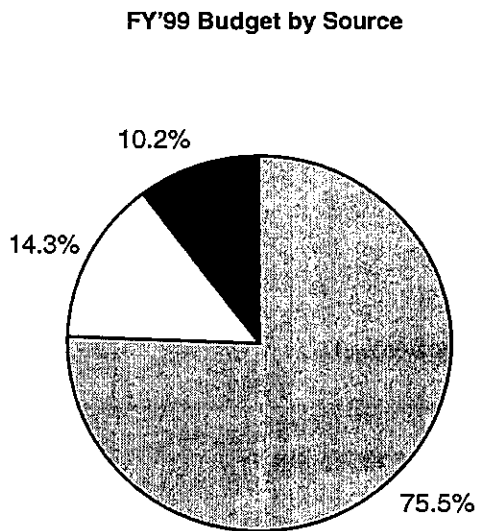
G. SB 948, Section 1, requires DPS to report twice annually to the Legislature on number of Capitol Patrol officers assigned to the Capitol building.

H. SB 948, Section 3, authorizes reimbursement of actual travel expenses incurred by any DPS personnel traveling with the Governor. The previous limit of 7 personnel was removed.

V. FUNDING SOURCES - FY'99 BUDGET

Appropriated Funds
 Revolving Funds
 Federal Funds
 Total FY'99 Budget

\$61,544,635	
\$11,673,672	
\$8,288,104	
<hr/>	
\$81,506,411	

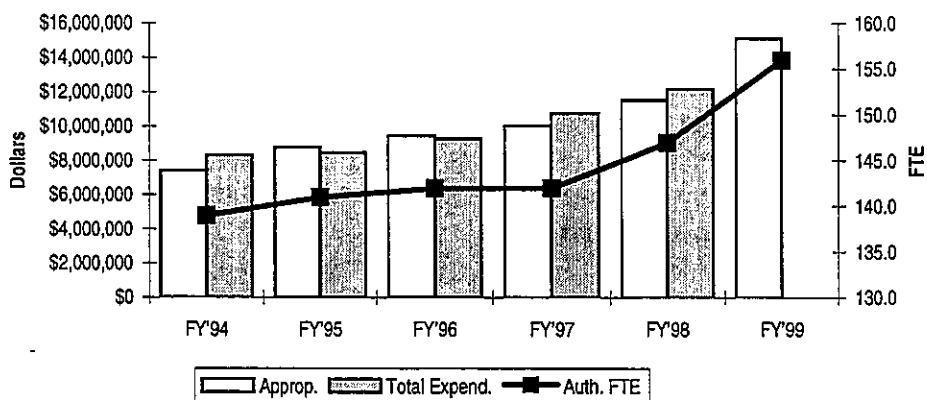


Appropriation Reference:
 HB 3050, Sections 129-130
 SB 916, Section 5
 SB 944, Section 19
 SB 963, Section 11 (supplemental)

Expenditure Limit Reference:
 SB 944, Sections 20-21

Supreme Court

I. FUNDING HISTORY



	<u>Appropriation</u>	<u>Percent Change</u>	<u>Total Budget Expenditures †</u>	<u>Percent Change</u>	<u>Actual FTE</u>	<u>Auth. FTE</u>
FY'94	\$7,432,201	-1.7%	\$8,326,515	13.3%	130.2	139.0
FY'95	\$8,766,059	17.9%	\$8,475,868	1.8%	124.0	141.0
FY'96	\$9,468,906 ¹	8.0%	\$9,296,159	9.7%	124.4	142.0
FY'97	\$10,044,262 ²	6.1%	\$10,774,925	15.9%	132.0	142.0
FY'98	\$11,553,810 ³	15.0%	\$12,180,385	15.9%	140.0	147.0
FY'99	\$15,137,458 ⁴	31.0%	\$17,387,079	13.0%		156.0
6 Year Change	\$7,705,257	103.7%	\$3,853,870	46.3%		
Infl. Adjusted						
6 Year Change	\$6,093,047	82.0%	\$2,556,602	30.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

1 Includes supplemental appropriation of \$500,000.

2 Includes supplemental appropriation of \$304,380

3 Excludes \$2,217,268 appropriated to the court but transferred to other courts for judicial retirement costs.

4 Excludes \$2,694,064 appropriated to the court but transferred to other courts for judicial retirement costs.

In FY'94, the Supreme Court's appropriation was cut 1.7% or \$89,474 due to statewide budget reallocations. Also, filing fees were doubled to increase Judicial Fund revenue by \$200,000.

In FY'95, the Legislature converted the 400 State Judicial Fund from a certified/revolving fund to a state certified fund in order to maximize appropriations and stabilize funding for the courts. \$896,567 was appropriated to the newly-created Supreme Court Revolving Fund to cover costs of various activities (referenced in 20 O.S. 1310.1) that had been supported by the 400 fund. Also, \$37,371 was provided for judicial salary increases effective 1-1-95, \$147,754 and 2.0 FTE were provided for new staff attorneys, \$93,500 was provided for DP programs, and \$16,500 was provided for increased FICA costs.

In FY'96, \$37,373 was provided to annualize judicial salary increases effective 1-1-95, and \$141,419 and 1.0 FTE was added to begin computerization of the court system statewide. Expenditures of \$800,000 in revolving funds were authorized for the computerization project. A \$500,000 supplemental appropriation was made during the 1996 session for computerization needs.

In FY'97, the court received \$73,078 for six-month costs of a judicial salary increase effective 1-1-97 and \$81,309 for paying association dues that had been paid by the Office of State Finance. \$450,000 was appropriated for transfer to the newly-created Legal Services Revolving Fund, which pays for legal representation of indigent persons in civil matters. The Governor vetoed a \$1 million transfer of retirement funds for the court's computerization program. A supplemental appropriation of \$304,380 was enacted to offset a shortfall in the Workers' Compensation Administration Fund.

In FY'98, added were \$2.5 million to reflect an accounting change in the State Judicial Retirement Fund and the State Judicial Fund, \$339,005 for DP equipment, \$258,891 for staff salary increases, \$284,051 for 5 new FTE, \$38,399 for general operations increases, \$52,928 for judicial salary increases effective 1-1-98, and \$73,079 for annualizing FY'97 judicial salary increases.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	13,321,078	147.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. Annualize FY'98 judicial salary increases for FY'99.	52,928	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage.	262,308	
2. Council on Judicial Complaints - HB 3063 converted the Council on Judicial Complaints into a separate executive branch agency. Appropriated funds used by the Administrative Office of the Courts for operating the council were removed from the Supreme Court's base.	-111,000	
3. Judicial Retirement - \$309,135 to supplement last year's adjustment for employer's share of judicial retirement, plus \$216,613 for FY'99 increases.	525,748	
4. Retired Judges Services	50,000	

Adjustments (cont'd.)		
5. Legal Services Revolving Fund - Appropriations to pay legal fees for indigents in civil matters were increased by 33% to \$600,000.	150,000	
6. Part-time Interns for Management Information Services	45,044	2.0
7. Court Interns' Salary Increase - Pay was increased 35% to \$10/hr.	127,895	
8. DP Services - Funds were provided for 2 FTE programmers, 2 FTE technicians, and 2 FTE analysts for the help desk. This amount includes \$50,000 in equipment and start-up costs.	282,202	6.0
9. Create District Court Operations Director Position	81,250	1.0
10. Annualize FY'98 Salary Increase for 3 Civil Appeals Judges	18,344	
11. New Secretary-Bailiff Position (Funds were transferred and budgeted by District Courts.)	25,725	
12. Statewide Court Computer System - Rainy Day funds were provided to begin computerization of all state courts.	3,000,000	
Total Adjustments	<u>4,510,444</u>	<u>9.0</u>

C. FY'99 Appropriation	<u><u>17,831,522</u></u>	<u><u>156.0</u></u>
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES






A. HB 3159, Section 5, makes permanent certain limitations on expenses from the Legal Services Revolving Fund.

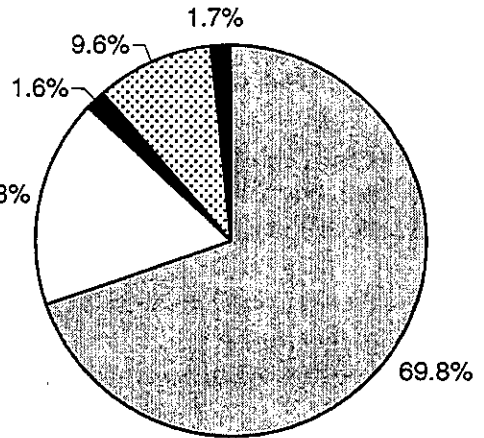
B. Of total appropriations to the Supreme Court for FY'99, \$2,694,064 is not budget by the court. In FY'99, \$2,990,748 of the court's appropriation is intended for all courts' employer's share of contributions for Judicial Retirement (\$2.465 million established as base funding in FY'98 plus \$525,748 added for FY'99). Of that total, \$296,682 was retained and budgeted for the Supreme Court's costs, \$2,499,367 was transferred by OSF for District Courts' costs, \$125,013 was transferred for Workers' Compensation Court costs, and \$69,684 was transferred for Court of Criminal Appeals costs.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

Appropriated Funds
 Rainy Day Funds
 Carryover
 Revolving Funds
 Federal Funds
 Total FY'99 Budget

\$12,137,458	
\$3,000,000	
\$279,059	
\$1,668,654	
\$301,908	
<hr/>	
\$17,387,079	

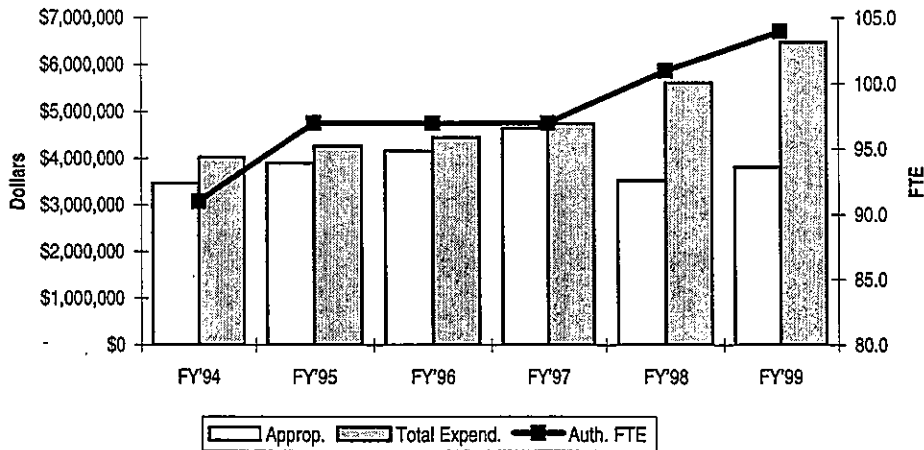


Appropriation Reference:
 HB 3050, Sections 110-113
 SB 911, Sections 9-10
 SB 914, Section 6
 SB 965, Section 10

Expenditure Limit Reference:
 SB 911, Section 14

Workers' Compensation Court

I. FUNDING HISTORY



	Appropriation	Percent Change	Total Budget Expenditures †	Percent Change	Actual FTE	Auth. FTE
FY'94	\$3,473,313	3.7%	\$4,032,173	8.0%	89.6	91.0
FY'95	\$3,901,834 ¹	12.3%	\$4,268,501	5.9%	91.2	97.0 ²
FY'96	\$4,168,157	6.8%	\$4,453,687	4.3%	93.5	97.0
FY'97	\$4,657,871 ³	11.7%	\$4,748,734	6.6%	97.5	97.0
FY'98	\$3,537,871	-24.0%	\$5,625,190	18.5%	94.9	101.0
FY'99	-- \$3,819,535	8.0%	\$6,485,738	15.3%		104.0
6 Year Change	\$346,222	10.0%	\$2,453,565	60.8%		
Infl. Adjusted						
6 Year Change	-\$60,576	-1.7%	\$1,762,804	43.7%		

† Total of all appropriated, dedicated, federal and revolving fund expenditures for agency operations. The FY'99 figure is an estimate of anticipated expenditures.

¹ Includes additional funds appropriated in the 1994 Special Session on Workers' Compensation.

² Includes 6 FTE authorized by the Contingency Review Board.

³ Includes supplemental appropriation of \$229,620

In FY'94 the Legislature appropriated \$125,037 for half-year costs of a 10th judge and 5 staff.

In FY'95 \$75,496 was provided for the 5% judicial salary increases effective 1-1-95. payroll costs. in the 1993 session. A 1994 special session appropriated \$227,988 for half-year funding for new programs related to HB 1002.

In FY'96 \$227,988 was provided to annualize costs of 1994 special session reforms, and \$19,754 was added for 1-1-95 judicial pay raises.

In FY'97 \$37,310 was provided for half-year costs of a 9.3% Judicial pay raise effective 1-1-97. Also provided was \$12,000 to support a 1994 court reporter pay increase; \$23,500 for travel expenses; and \$56,000 for OPERS contributions. A supplemental appropriation of \$230,147 covered a shortfall in the Workers' Compensation Administration Fund.

In FY'98, added were \$40,694 for half-year costs of FY'99 judicial salary increases, \$37,310 to annualize costs of FY'98 salary increases, \$25,460 and 1 FTE for a Tulsa docket clerk, and \$14,600 for renting additional space in Tulsa.

II. FY'99 APPROPRIATION ADJUSTMENTS

	<u>Total</u>	<u>FTE</u>
A. FY'98 Appropriation	3,537,871	101.0

B. FY'99 Adjustments	<u>Total</u>	<u>FTE</u>
General Appropriations Bill Funding Adjustments		
1. One-time equipment funds were removed from the base; added were funds for annualizing judicial and administrative salary increases for FY'99.	-31,515	
Other Appropriation Adjustments		
1. Effective January 1, 1999, state employees will receive a 4% annual salary increase, with a minimum raise of \$1,250 and a maximum of \$2,000 per year (HB 2928). Effective July 1, 1998, employees also receive either an additional \$37.50 per month in their benefit allowance or 50% of the cost of dependent health care coverage. --	158,812	
2. Data Processing Staff - The agency will add two programmer/analysts and one statistical analyst.	127,367	3.0
3. Court Security - The court will install metal detectors and silent alarms to improve security.	14,600	
4. Court Reporter Longevity Pay - SB 835 Section 1 increases the cap on years of service used to determine longevity payments for court reporters from 9 to 20 years, which will increase costs to the agency.	12,400	
Total Adjustments	<u>281,664</u>	<u>3.0</u>

C. FY'99 Appropriation	<u><u>3,819,535</u></u>	<u><u>104.0</u></u>
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III. GOVERNOR'S VETOES

None.

IV. OTHER ISSUES

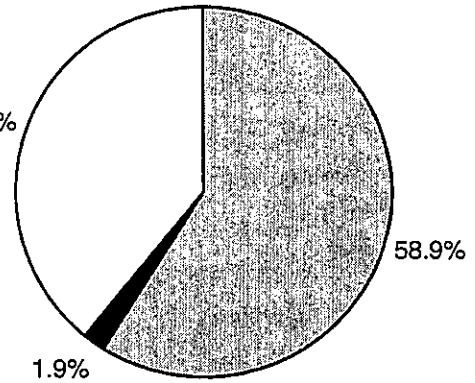
- A. SB 944, Section 20, requires the Department of Public Safety to use \$26,000 of its appropriation to assign a Capitol Patrol Officer to the Workers' Compensation Court.
- B. HCR 1112 creates the Task Force on the Workers' Compensation Court to study caseload and determine the optimum number of judges. The panel's report is due February 1, 1999.
- C. The court is budgeting \$125,013 of appropriations made to the Supreme Court in FY'99 for employer's share of judicial retirement costs.

V. FUNDING SOURCES - FY'99 BUDGET

FY'99 Budget by Source

Appropriated Funds	\$3,819,535
Transfer from Supreme Court	\$125,013
Revolving Funds	\$2,541,190
Total FY'99 Budget	\$6,485,738

	\$3,819,535	
	\$125,013	39.2%
	\$2,541,190	
<hr style="width: 100%;"/>		
	\$6,485,738	



Appropriation Reference:
 HB 3050, Sections 116-117
 SB 911, Section 15

Expenditure Limit Reference:
 SB 911, Sections 17-18

TABLES

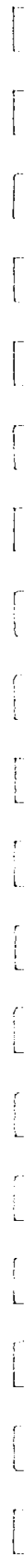


TABLE 1

FY'98 to FY'99 APPROPRIATION COMPARISON

SUBCOMMITTEE SUMMARY

Subcommittee	FY'98		FY'99		Change from Orig. FY'98		Change from Adj. FY'98			
	Orig. FY'98 Appropriation	FY'98 Suppl. Appropriations	Adjusted FY'98 Appropriations	FY'98 Base Adjustments	Legislative Adjustments	Final FY'99 Appropriation	Dollar	Percent	Dollar	Percent
Subcommittee on Education	\$2,465,073,275	\$3,297,199	\$2,468,370,474	(\$9,513,867)	\$196,271,307	\$2,665,127,914	\$190,054,639	7.7%	\$186,757,440	7.6%
Subcommittee on General Government & Transportation	\$454,254,464	\$67,308	\$454,321,772	(\$59,946,089)	\$116,895,492	\$511,211,175	\$66,956,711	12.5%	\$56,889,403	12.5%
Subcommittee on Health & Social Services	\$416,627,610	\$0	\$416,627,610	(\$879,145)	\$25,962,414	\$441,710,879	\$25,083,269	6.0%	\$25,083,269	6.0%
Subcommittee on Human Services	\$572,579,714	\$0	\$572,579,714	(\$636,100)	\$19,539,292	\$591,482,906	\$18,903,192	3.3%	\$18,903,192	3.3%
Subcommittee on Natural Resources	\$100,700,107	\$282,676	\$100,982,783	(\$5,556,096)	\$31,882,098	\$127,308,785	\$26,608,678	26.4%	\$26,326,002	26.1%
Subcommittee on Public Safety & Judiciary	\$474,871,529	\$3,404,219	\$478,275,748	(\$2,668,572)	\$52,485,472	\$528,092,648	\$53,221,119	11.2%	\$49,816,900	10.4%
Deferred Savings Plan (OPERS)	\$2,000,000	\$1,600,000	\$3,600,000	\$0	\$3,200,000	\$6,800,000	\$2,000,000	N/A	\$2,000,000	N/A
Rural Economic Action Plan *	\$12,500,000	\$0	\$12,500,000	\$0	\$3,000,000	\$15,500,000	\$3,000,000	N/A	\$3,000,000	N/A
TOTAL	\$4,498,606,699	\$8,651,402	\$4,507,258,101	(\$79,199,869)	\$449,176,075	\$4,877,234,307	\$378,627,608	8.4%	\$369,976,206	8.2%

* This funding is listed separately because it is not appropriated to a specific agency.

SUBCOMMITTEE ON EDUCATION

Subcommittee	FY'98		FY'99		Change from Orig. FY'98		Change from Adj. FY'98			
	Orig. FY'98 Appropriation	FY'98 Suppl. Appropriations	Adjusted FY'98 Appropriations	FY'98 Base Adjustments	Legislative Adjustments	Final FY'99 Appropriation	Dollar	Percent	Dollar	Percent
Arts Council	\$3,495,267	\$0	\$3,495,267	\$0	\$574,377	\$4,069,644	\$574,377	16.4%	\$574,377	16.4%
Education, State Department of	\$1,626,290,254	\$608,199	\$1,627,098,453	(\$6,046,000)	\$117,479,182	\$1,798,531,635	\$112,241,381	6.9%	\$111,453,182	6.8%
Educational Television Authority	\$3,283,681	\$0	\$3,283,681	\$0	\$101,701	\$3,385,382	\$101,701	3.1%	\$101,701	3.1%
Higher Education, Regents for	\$693,299,391	\$189,000	\$693,488,391	\$0	\$64,373,729	\$757,862,120	\$64,373,729	9.3%	\$64,373,729	9.3%
Land Office, Commissioners of	\$3,847,105	\$0	\$3,847,105	\$0	\$245,842	\$4,092,947	\$245,842	6.4%	\$245,842	6.4%
Libraries, Department of	\$5,982,193	\$0	\$5,982,193	\$0	\$625,294	\$6,607,487	\$625,294	10.5%	\$625,294	10.5%
Physician Manpower Training Commission	\$5,490,245	\$0	\$5,490,245	\$0	\$9,498	\$5,499,743	\$9,498	0.2%	\$9,498	0.2%
Private Vocational Schools, Board of	\$142,283	\$0	\$142,283	(\$4,000)	\$20,507	\$158,790	\$16,507	11.6%	\$16,507	11.6%
Science & Technology, Center for	\$9,059,272	\$0	\$9,059,272	\$0	\$2,689,260	\$11,748,532	\$2,689,260	29.7%	\$2,689,260	29.7%
Science and Math, School of	\$4,339,053	\$0	\$4,339,053	\$0	\$289,842	\$4,628,895	\$289,842	6.7%	\$289,842	6.7%
Teacher Preparation, Commission on	\$1,969,114	\$0	\$1,969,114	(\$438,867)	\$72,496	\$1,602,743	(\$366,371)	-18.6%	(\$366,371)	-18.6%
Vocational Technical Education, Department	\$107,875,417	\$2,300,000	\$110,175,417	(\$3,025,000)	\$9,789,579	\$116,939,996	\$9,064,579	8.4%	\$6,764,579	6.1%
SUBTOTAL	\$2,465,073,275	\$3,297,199	\$2,468,370,474	(\$9,513,867)	\$196,271,307	\$2,665,127,914	\$190,054,639	7.7%	\$186,757,440	7.6%

SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Subcommittee	FY'98				FY'99				Change from Orig. FY'98		Change from Adj. FY'98	
	Orig. FY'98 Appropriation	FY'98 Suppl. Appropriations	Adjusted FY'98 Appropriations	FY'98 Base Adjustments	Legislative Adjustments	Final FY'99 Appropriation	Change from Orig. Dollar	Percent	Change from Adj. Dollar	Percent		
Auditor and Inspector	\$4,722,559		\$4,722,559		\$962,890	\$5,685,449	\$962,890	20.4%	\$962,890	20.4%		
Capitol Improvement Authority	\$143,867		\$143,867		\$0	\$143,867	\$0	0.0%	\$0	0.0%		
Central Services, Department of	\$12,374,236		\$12,374,236		\$1,027,347	\$13,401,583	\$1,027,347	8.3%	\$1,027,347	8.3%		
Capital Improvement Fund	\$10,358,320		\$10,358,320		\$7,000,000	\$17,358,320	\$7,000,000	N/A	\$7,000,000	N/A		
Civil Emergency Management Administration	\$678,037		\$578,037		\$17,932	\$595,969	\$17,932	3.1%	\$17,932	3.1%		
Commerce, Department of	\$20,070,376		\$20,070,376	(\$1,761,395)	\$3,521,713	\$21,830,694	\$1,760,318	8.8%	\$1,760,318	8.8%		
Election Board	\$7,136,067		\$7,136,067		\$97,384	\$7,233,451	\$97,384	1.4%	\$97,384	1.4%		
Ethics Commission	\$373,733		\$373,733	(\$2,000)	\$48,617	\$420,350	\$48,617	12.5%	\$48,617	12.5%		
Finance, Office of State	\$9,168,379		\$9,168,379	(\$500,000)	\$545,120	\$9,213,499	\$45,120	0.5%	\$45,120	0.5%		
Governor	\$2,595,876		\$2,595,876	\$19,482	\$67,811	\$2,683,149	\$87,273	3.4%	\$87,273	3.4%		
Governor's Emergency Fund	\$1,000,000		\$1,000,000		\$0	\$1,000,000	\$0	NA	\$0	0.0%		
House of Representatives	\$16,385,799		\$16,385,799	\$1,086,914	\$471,245	\$17,943,958	\$1,558,159	9.5%	\$1,558,159	9.5%		
Legislative Service Bureau	\$1,492,220		\$1,492,220		\$625,124	\$2,117,344	\$625,124	41.9%	\$625,124	41.9%		
Lt. Governor	\$435,910		\$435,910		\$15,650	\$451,560	\$15,650	3.6%	\$15,650	3.6%		
Merit Protection Commission	\$539,967		\$539,967		\$12,195	\$552,162	\$12,195	2.3%	\$12,195	2.3%		
Military, Department of	\$6,281,543		\$6,281,543	(\$352,770)	\$1,758,624	\$7,687,397	\$1,405,854	22.4%	\$1,405,854	22.4%		
Personnel Management	\$5,250,432		\$5,250,432		\$154,733	\$5,405,165	\$154,733	2.9%	\$154,733	2.9%		
Secretary of State	\$386,417		\$386,417		\$46,954	\$433,371	\$46,954	12.2%	\$46,954	12.2%		
Senate	\$11,728,725		\$11,728,725	\$588,172	\$321,926	\$12,638,823	\$910,098	7.8%	\$910,098	7.8%		
Tax Commission	\$46,029,438	\$67,308	\$46,096,746		\$2,410,383	\$48,507,129	\$2,477,691	5.4%	\$2,410,383	5.2%		
Transportation, Department of	\$292,775,410		\$292,775,410	(\$59,024,472)	\$97,624,499	\$331,375,377	\$98,599,967	13.2%	\$98,599,967	13.2%		
Treasurer	\$4,427,153		\$4,427,153		\$105,405	\$4,532,558	\$105,405	2.4%	\$105,405	2.4%		
SUBTOTAL	\$454,254,464	\$67,308	\$454,321,772	(\$59,946,089)	\$116,835,492	\$511,211,175	\$56,956,711	12.5%	\$56,889,403	12.5%		

SUBCOMMITTEE ON HEALTH AND SOCIAL SERVICES

Subcommittee	FY'98				FY'99				Change from Orig. FY'98		Change from Adj. FY'98	
	Orig. FY'98 Appropriation	FY'98 Suppl. Appropriations	Adjusted FY'98 Appropriations	FY'98 Base Adjustments	Legislative Adjustments	Final FY'99 Appropriation	Change from Orig. Dollar	Percent	Change from Adj. Dollar	Percent		
Health Care Authority	\$313,650,147		\$313,650,147		\$12,195,903	\$325,846,050	\$12,195,903	3.9%	\$12,195,903	3.9%		
Health, Department of	\$55,618,457		\$55,618,457	(\$248,000)	\$11,488,053	\$66,858,510	\$11,240,053	20.2%	\$11,240,053	20.2%		
J.D. McCarty Center	\$1,587,182		\$1,587,182		\$188,386	\$1,775,568	\$188,386	11.9%	\$188,386	11.9%		
University Hospitals Authority	\$27,146,689		\$27,146,689	(\$570,133)	\$0	\$26,576,556	(\$570,133)	-2.1%	(\$570,133)	-2.1%		
Veterans Affairs, Department of	\$18,625,135		\$18,625,135	(\$61,012)	\$2,090,072	\$20,654,195	\$2,029,060	10.9%	\$2,029,060	10.9%		
SUBTOTAL	\$416,627,610	\$0	\$416,627,610	(\$879,145)	\$25,982,414	\$441,710,879	\$25,083,269	6.0%	\$25,083,269	6.0%		

SUBCOMMITTEE ON HUMAN SERVICES

Subcommittee	FY'98		FY'98 Suppl.		Adjusted FY'98		FY'99		Change from Orig. FY'98		Change from Adj. FY'98	
	Orig. FY'98 Appropriation	FY'98 Base Adjustments	FY'98 Suppl. Appropriations	FY'98 Suppl. Adjustments	Adjusted FY'98 Appropriations	FY'98 Base Adjustments	FY'99 Legislative Adjustments	Final FY'99 Appropriation	Dollar	Percent	Dollar	Percent
Children and Youth, Commission on	\$1,733,063	(\$100,000)	\$1,733,063		\$1,733,063		\$34,643	\$1,667,706	(\$65,357)	-3.8%	(\$65,357)	-3.8%
Handicapped Concerns, Office of	\$323,517		\$323,517		\$323,517		\$10,353	\$333,870	\$10,353	3.2%	\$10,353	3.2%
Human Rights Commission	\$750,543		\$750,543		\$750,543		\$30,887	\$781,430	\$30,887	4.1%	\$30,887	4.1%
Human Services, Department of	\$336,227,588		\$336,227,588		\$336,227,588		\$3,458,005	\$339,685,593	\$3,458,005	1.0%	\$3,458,005	1.0%
Indian Affairs, Commission of	\$203,202		\$203,202		\$203,202		\$24,807	\$228,009	\$24,807	12.2%	\$24,807	12.2%
Juvenile Affairs	\$88,076,144	(\$190,000)	\$88,076,144		\$88,076,144		\$9,937,951	\$97,824,095	\$9,747,951	11.1%	\$9,747,951	NA
Mental Health & Substance Abuse Services	\$122,491,410	(\$190,000)	\$122,491,410		\$122,491,410		\$5,292,042	\$127,593,452	\$5,102,042	4.2%	\$5,102,042	4.2%
Rehabilitation Services, Department of	\$22,774,247	(\$156,100)	\$22,774,247		\$22,774,247		\$750,604	\$23,368,751	\$594,504	2.6%	\$594,504	2.6%
SUBTOTAL	\$572,579,714	(\$636,100)	\$0	\$572,579,714	\$572,579,714	(\$636,100)	\$19,539,292	\$591,482,906	\$18,903,192	3.3%	\$18,903,192	3.3%

SUBCOMMITTEE ON NATURAL RESOURCES AND REGULATORY SERVICES

Subcommittee	FY'98		FY'98 Suppl.		Adjusted FY'98		FY'99		Change from Orig. FY'98		Change from Adj. FY'98	
	Orig. FY'98 Appropriation	FY'98 Base Adjustments	FY'98 Suppl. Appropriations	FY'98 Suppl. Adjustments	Adjusted FY'98 Appropriations	FY'98 Base Adjustments	FY'99 Legislative Adjustments	Final FY'99 Appropriation	Dollar	Percent	Dollar	Percent
Agriculture, Department of	\$20,406,295		\$182,676		\$20,588,911	(\$1,205,723)	\$4,389,512	\$23,772,700	\$3,366,465	16.5%	\$3,183,789	15.5%
Banking, Department of	\$2,567,183				\$2,567,183		\$79,318	\$2,646,501	\$79,318	3.1%	\$79,318	3.1%
Conservation Commission	\$6,425,381		\$100,000		\$6,525,381	(\$80,000)	\$2,218,035	\$8,663,416	\$2,238,035	34.8%	\$2,138,035	32.8%
Consumer Credit, Department of	\$721,791				\$721,791		\$22,143	\$743,934	\$22,143	3.1%	\$22,143	3.1%
Corporation Commission	\$9,859,093				\$9,859,093	(\$403,300)	\$0	\$9,455,793	(\$403,300)	-4.1%	(\$403,300)	-4.1%
Environmental Quality, Department of	\$6,664,675				\$6,664,675	(\$150,000)	\$3,210,938	\$9,725,613	\$3,060,938	45.9%	\$3,060,938	45.9%
Historical Society	\$8,134,486				\$8,134,486	(\$717,500)	\$7,901,160	\$13,318,146	\$7,183,660	117.1%	\$7,183,660	117.1%
Horse Racing Commission	\$2,261,354				\$2,261,354	(\$25,000)	\$0	\$2,236,354	(\$25,000)	-1.1%	(\$25,000)	-1.1%
Insurance Commissioner	\$2,644,204				\$2,644,204		\$173,826	\$2,818,030	\$173,826	6.6%	\$173,826	6.6%
J.M. Davis Memorial Commission	\$358,249				\$358,249		\$14,995	\$373,244	\$14,995	4.2%	\$14,995	4.2%
Labor, Department of	\$3,547,165				\$3,547,165		\$121,819	\$3,668,984	\$121,819	3.4%	\$121,819	3.4%
Liquefied Petroleum Gas Board	\$409,057				\$409,057		\$14,143	\$423,200	\$14,143	3.5%	\$14,143	3.5%
Mining Board	\$742,895				\$742,895		\$54,671	\$797,566	\$54,671	7.4%	\$54,671	7.4%
Securities Commission	\$578,927				\$578,927		\$48,196	\$627,123	\$48,196	8.3%	\$48,196	8.3%
Tourism and Recreation, Department of	\$26,374,039				\$26,374,039	(\$798,723)	\$4,901,353	\$30,476,669	\$4,102,630	15.6%	\$4,102,630	15.6%
Water Resources Board	\$10,338,477				\$10,338,477	(\$2,175,850)	\$8,714,716	\$16,877,343	\$6,538,866	63.2%	\$6,538,866	63.2%
Will Rogers Memorial Commission	\$666,896				\$666,896		\$17,273	\$684,169	\$17,273	2.6%	\$17,273	2.6%
SUBTOTAL	\$100,700,107	(\$5,556,096)	\$282,676	\$100,982,783	\$100,982,783	(\$5,556,096)	\$31,882,098	\$127,308,785	\$26,608,678	26.4%	\$26,326,002	26.1%

SUBCOMMITTEE ON PUBLIC SAFETY AND JUDICIARY

Subcommittee	FY'98		FY'99		FY'98		FY'99		Change from Orig. FY'98		Change from Adj. FY'98	
	Orig. FY'98 Appropriation	FY'98 Suppl. Appropriations	Adjusted FY'98 Appropriations	FY'98 Base Adjustments	Legislative Adjustments	Final FY'99 Appropriation	Change from Orig. Dollar	Percent	Change from Orig. Dollar	Percent	Change from Adj. Dollar	Percent
Alcoholic Beverage Laws Enforcement	\$3,555,144		\$3,555,144		\$247,888	\$3,803,032	\$247,888	7.0%	\$247,888	7.0%	\$247,888	7.0%
Attorney General	\$5,881,176		\$5,881,176	\$11,625	\$330,445	\$6,223,246	\$342,070	5.8%	\$342,070	5.8%	\$342,070	5.8%
Corrections, Department of	\$296,504,307		\$296,504,307	(\$927,976)	\$35,589,662	\$331,165,993	\$34,661,686	11.7%	\$34,661,686	11.7%	\$34,661,686	11.7%
Court of Criminal Appeals	\$2,454,390		\$2,454,390	\$12,418	\$95,071	\$2,562,879	\$108,489	4.4%	\$108,489	4.4%	\$108,489	4.4%
District Attorneys and DAC	\$28,485,500		\$28,485,500	(\$463,808)	\$1,078,247	\$29,099,939	\$614,439	2.2%	\$614,439	2.2%	\$614,439	2.2%
District Courts	\$32,182,185	\$3,307,469	\$35,489,654	\$800,250	(\$1,642,596)	\$34,647,308	\$2,465,123	7.7%	\$2,465,123	7.7%	(\$842,346)	-2.4%
Fire Marshal	\$1,306,637		\$1,306,637		\$327,773	\$1,634,410	\$327,773	25.1%	\$327,773	25.1%	\$327,773	25.1%
Indigent Defense System	\$11,105,049		\$11,105,049		\$1,652,521	\$12,757,570	\$1,652,521	14.9%	\$1,652,521	14.9%	\$1,652,521	14.9%
Investigation, State Bureau of	\$9,076,669		\$9,076,669		\$503,139	\$9,579,808	\$503,139	5.5%	\$503,139	5.5%	\$503,139	5.5%
Judicial Complaints, Council on	\$0		\$0		\$250,000	\$250,000	\$250,000	N/A	\$250,000	N/A	\$250,000	N/A
Law Enforcement Education and Training	\$2,226,483		\$2,226,483		\$551,331	\$2,777,814	\$551,331	24.8%	\$551,331	24.8%	\$551,331	24.8%
Medicolegal Investigations, Board of	\$3,544,014		\$3,544,014	(\$756,670)	\$767,687	\$3,555,031	\$11,017	0.3%	\$11,017	0.3%	\$11,017	0.3%
Narcotics and Dangerous Drugs, Bureau of	\$4,163,872		\$4,163,872		\$790,302	\$4,954,174	\$790,302	19.0%	\$790,302	19.0%	\$790,302	19.0%
Pardon and Parole Board	\$1,794,291		\$1,794,291	(\$35,254)	\$126,715	\$1,885,752	\$91,461	5.1%	\$91,461	5.1%	\$91,461	5.1%
Public Safety, Department of	\$55,732,863	\$96,750	\$55,829,613	(\$1,330,570)	\$7,045,592	\$61,544,635	\$5,811,772	10.4%	\$5,811,772	10.4%	\$5,715,022	10.2%
Supreme Court	\$13,321,078		\$13,321,078	\$52,928	\$4,457,516	\$17,831,522	\$4,510,444	33.9%	\$4,510,444	33.9%	\$4,510,444	33.9%
Workers' Compensation Court	\$3,537,871		\$3,537,871	(\$31,515)	\$313,179	\$3,819,535	\$281,664	8.0%	\$281,664	8.0%	\$281,664	8.0%
SUBTOTAL	\$474,871,529	\$3,404,219	\$478,275,748	(\$2,688,572)	\$52,485,472	\$528,092,648	\$53,221,119	11.2%	\$53,221,119	11.2%	\$49,616,900	10.4%

TABLE 2

FY'98 Supplemental Appropriations

SUBCOMMITTEE ON EDUCATION

Agency/Purpose	Bill & Section Number	Amount
Education, Department of State Aid Adjustment Due to PSO Settlement	SB 963, Section 9	808,199
Higher Education, Regents for ONENET Reimbursement for Telemedicine Connectivity	SB 963, Section 5	189,000
Vocational & Technical Education Training for Industry Program (TIP) Shortfall	SB 963, Section 3	2,300,000
Subcommittee Total		3,297,199

SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Agency/Purpose	Bill & Section Number	Amount
Tax Commission Field Compliance Staff (17.0 FTE)	SB 963, Section 2	67,308
Subcommittee Total		67,308

SUBCOMMITTEE ON NATURAL RESOURCES & REGULATORY SERVICES

Agency/Purpose	Bill & Section Number	Amount
Agriculture, Department of Poultry Incentive Program	SB 963, Section 6	182,676
Conservation Commission Emergency Repairs to Fairfax Lake Dam	SB 963, Section 7	100,000
Subcommittee Total		282,676

SUBCOMMITTEE ON PUBLIC SAFETY AND JUDICIARY

Agency/Purpose	Bill & Section Number	Amount
District Courts		
State Judicial Fund Shortfall	HB 3055, Section 1	1,200,000
State Judicial Fund Shortfall	SB 963, Section 1	370,118
State Judicial Fund Shortfall	SB 964, Section 1	1,737,351
Public Safety, Department of		
Capitol Patrol Pay Raise	SB 963, Section 10	96,750
Subcommittee Total		3,404,219

SUBCOMMITTEE ON RETIREMENT

Agency/Purpose	Bill & Section Number	Amount
Oklahoma Public Employees Retirement System		
Deferred Compensation Incentive Program Shortfall	SB 963, Section 8	1,600,000
Subcommittee Total		1,600,000

TOTAL

8,651,402

TABLE 3

Appropriation Vetoes - 1998 Session

SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Agency/Purpose	Bill & Section Number	Amount
Commerce, Department of Regional Substate Distr. Econ. & Comm. Dev. Act	HB 3010, Section 1	2,269,465
Subcommittee Total		2,269,465

SUBCOMMITTEE ON HEALTH AND SOCIAL SERVICES

Agency/Purpose	Bill & Section Number	Amount
Health, Department of After School Programs	HB 3065, Section 7	2,775,000
Subcommittee Total		2,775,000

SUBCOMMITTEE ON HUMAN SERVICES

Agency/Purpose	Bill & Section Number	Amount
Human Services, Department of Funds for 75% MOE in TANF Grant	HB 3035, Section 7	11,100,000
Subcommittee Total		11,100,000

SUBCOMMITTEE ON NATURAL RESOURCES AND REGULATORY SERVICES

Agency/Purpose	Bill & Section Number	Amount
Corporation Commission		
Change Funding Mech./Did Not Use \$	HB 3000, Section 1	-484,210
Historical Society		
Museum Grants	HB 3003, Section 3	494,000
Horse Racing Commission		
Salary Increase, Vet Tech., Stew., Equ. Aud./Insp. Contract	SB 934, Section 18	178,077
Labor, Department of		
Transfer from Department of Labor to Special Cash Fund	HB 3060, Section 10	-300,000
Tourism and Recreation, Department of		
Infrastructure Improvement	SB 940, Section 5	365,000
Market Development/Tourism Promotion	SB 940, Section 7	509,500
Operations, Maintenance, Construction/Welcome	SB 940, Section 8	231,000
Subcommittee Total		993,367

SUBCOMMITTEE ON RETIREMENT AND GROUP HEALTH

Agency/Purpose	Bill & Section Number	Amount
OPERS		
Allowing Certain Contracts	HB 1353	8,835
Subcommittee Total		8,835

TOTAL APPROPRIATION VETOES

17,146,667

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TABLE 4

**Appropriations from the Constitutional Reserve Fund
1998 Legislative Session**

SUBCOMMITTEE ON EDUCATION

Agency/Purpose	Bill & Section Number	Amount
Education, Department of		
Technology in the Classroom (Interactive Hook-ups)	SB 965, Section 7	8,200,000
Technology in the Classroom (Computers for Schools)	SB 965, Section 8	8,200,000
Higher Education, Regents for		
Higher Education Funding	SB 965, Sections 2-3	22,000,000
Langston University Endowed Chair	SB 965, Section 5	2,000,000
Vocational & Technical Education		
Training for Industry Program (TIP)	SB 965, Section 6	5,000,000
Subcommittee Total		45,400,000

SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Agency/Purpose	Bill & Section Number	Amount
Central Services, Department of		
Governor's Mansion Guard Facility	SB 965, Section 26	175,000
Finance, Office of State		
Telemedicine Line Charges	SB 965, Section 4	342,000
Military Department		
Armory Maintenance	SB 965, Section 25	750,000
Tax Commission		
Tax Commission Computer	SB 965, Section 9	752,000
Transportation, Department of		
Road Plan (HB 1629)	SB 965, Section 1	80,000,000
Subcommittee Total		82,019,000

SUBCOMMITTEE ON HUMAN SERVICES

Agency/Purpose	Bill & Section Number	Amount
Human Services, Department of		
Geriatric Day Care	SB 965, Section 24	250,000
Mental Health and Substance Abuse Services, Department of		
Drug Court	SB 965, Section 23	500,000
Subcommittee Total		750,000

SUBCOMMITTEE ON NATURAL RESOURCES & REGULATORY SERVICES

Agency/Purpose	Bill & Section Number	Amount
Agriculture, Department of Fire Ant Research	SB 965, Section 20	125,000
Conservation Commission Cost Share Match Program	SB 965, Section 21	1,750,000
Environmental Quality, Department of Superfund EPA Cleanup (Tar Creek)	SB 965, Section 19	3,000,000
Historical Society Murrah Memorial	SB 965, Section 11	5,000,000
Historical Society (Statewide Projects)	SB 965, Section 12	1,500,000
Tourism and Recreation, Department of Golf Courses (Langley, Texoma, Roman Nose)	SB 965, Section 13	1,500,000
State Parks Maintenance	SB 965, Section 14	900,000
Water Resources Board Drinking Water State Revolving Fund Loan Capitalization	SB 965, Section 15	3,500,000
Non-point Source Revolving Fund Grants	SB 965, Section 17	3,500,000
Water Quality Monitoring	SB 965, Section 18	1,000,000
Weather Modification	SB 965, Section 16	500,000
Subcommittee Total		22,275,000

SUBCOMMITTEE ON PUBLIC SAFETY AND JUDICIARY

Agency/Purpose	Bill & Section Number	Amount
Indigent Defense McVeigh/Nichols Defense (OIDS)	SB 965, Section 22	1,000,000
Supreme Court Supreme Court/District Court Computers	SB 965, Section 10	3,000,000
Subcommittee Total		4,000,000

TOTAL

154,444,000

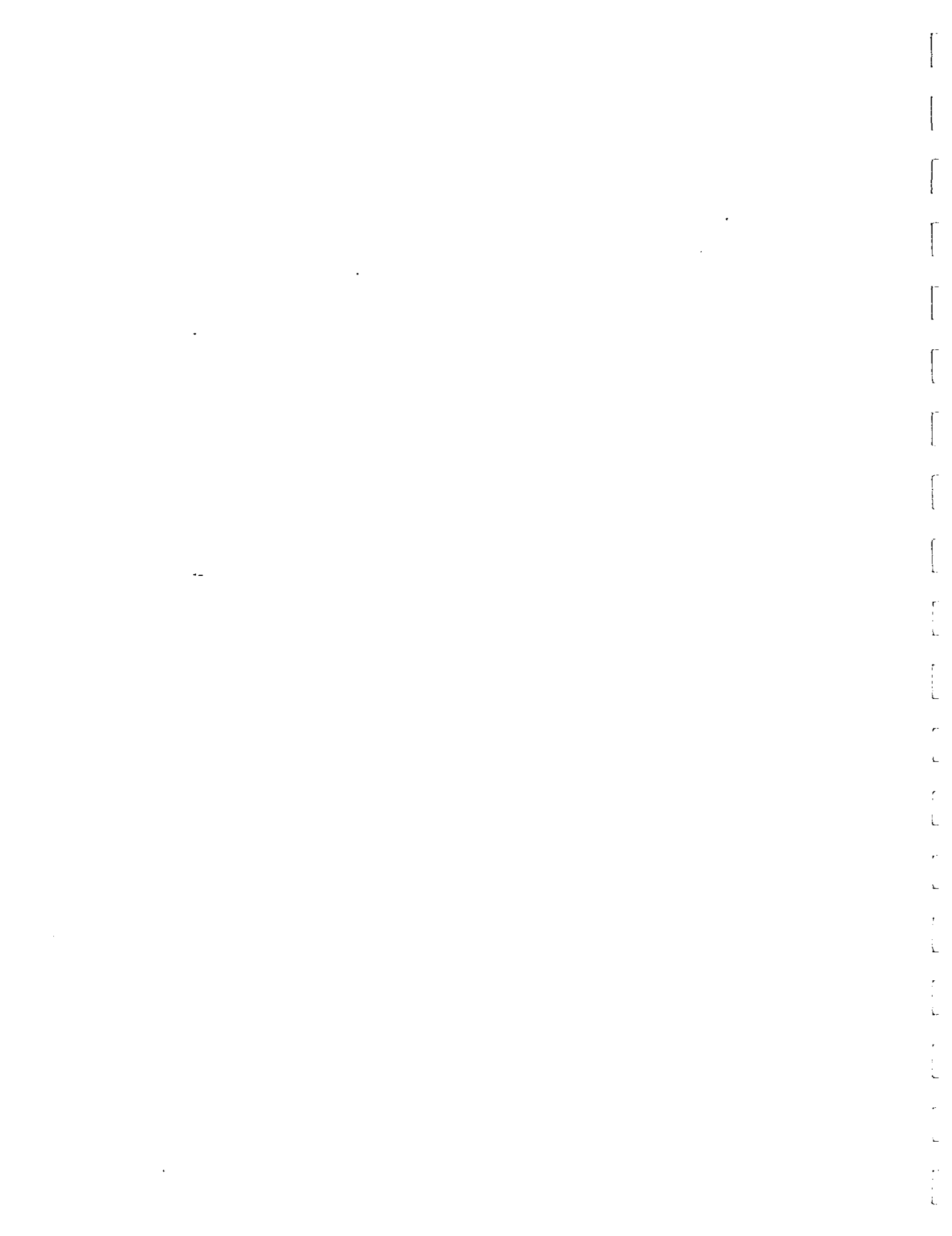
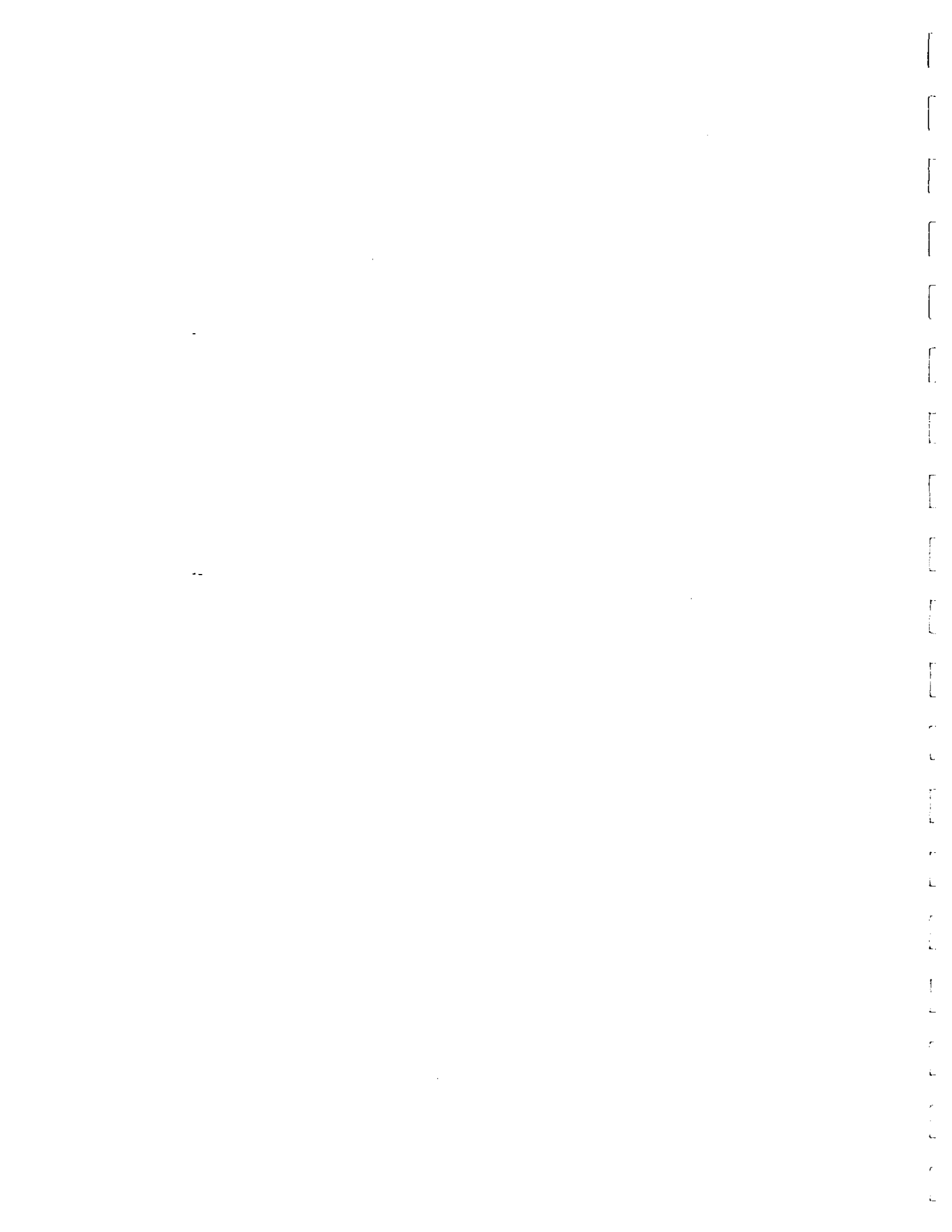


TABLE 5

History of the Constitutional Reserve Fund

Year	June 30th Balance	Deposits	Expenditures	Agency	Project	Reference
1989	0	77,994,351	9,000,000 17,000,000 <u>26,000,000</u>	Department of Corrections Department of Corrections	Prison Construction Prison Construction	1988 Special Session, SB 2 Section 2 1989 Regular Session, HB 1638 Sections 1-2
1990	51,994,351	100,810,258	35,000,000 30,000,000 10,000,000 <u>75,000,000</u>	Department of Education Ok. St. and Educ. Empl. Grp. Tax Commission	School Consolidation Fund Health Reserve Ad Valorem Prop. Appraisal	1989-90 Special Session, HB 1016 Section 1 1989-90 Special Session, HB 1016 Section 3 1989-90 Special Session, HB 1016 Section 2
1991	77,804,609	73,929,614	26,800,000 3,200,000 <u>30,000,000</u>	Regents for Higher Education Tax Commission	Higher Education Programs Ad Valorem Prop. Appraisal	1991 Regular Session, SB 415 Sections 1-5 1991 Regular Session, SB 414 Section 6
1992	121,734,223	75,127,676 *	26,700,000 5,000,000 2,000,000 25,288,630 300,000 350,000 1,639,547 100,000 500,000 <u>61,878,177</u>	Regents for Higher Education Auditor and Inspector Board of Vo-tech Department of Human Serv. Department of Agriculture Dept. of Tourism and Rec. Water Resources Board Water Resources Board Governor	Higher Education Programs Ad Valorem Prop. Appraisal Equipment Medical Services and Equip. Rural Fire Grants Lake Murray Spillway Funding for EPA Grants Federal Clean Lakes Proj. State Emergency Fund	1992 Regular Session, SB 793 Sections 1-3 1992 Regular Session, SB 793 Section 5 1992 Regular Session, SB 793 Section 4 1992 Regular Session, SB 793 Section 7-10 1992 Regular Session, SB 793 Section 11 1992 Regular Session, SB 793 Section 12 1992 Regular Session, SB 793 Section 13 1992 Regular Session, SB 793 Section 14 1992 Regular Session, SB 793 Section 6
1993	134,983,722	25,176 **	6,900,000 28,437,873 2,102,530 1,000,000 4,175,000 1,252,500 <u>43,867,903</u>	State Board of Education Regents for Higher Education Board of Vo-tech Governor Tax Commission Water Resources Board	Mid-term Adjustments Higher Education Programs Equipment and Programs State Emergency Fund Ad Valorem Prop. Appraisal Funding for EPA Grants	1993 Regular Session, SB 390 Section 1 1993 Regular Session, SB 390 Sections 3-8 1993 Regular Session, SB 390 Section 9 1993 Regular Session, SB 390 Section 12 1993 Regular Session, SB 390 Section 10 1993 Regular Session, SB 390 Section 11



Year	June 30th Balance	Deposits	Expenditures	Agency	Project	Reference
1994	91,140,995	0	5,451,775	Department of Education	Mid-term Adjustments	1994 Regular Session, HB 2761 Section 1
			1,000,000	Department of Education	Altern. Educ. Pilot Grants	1994 Regular Session, HB 2761 Section 17
			25,713,013	Regents for Higher Education	Higher Education Programs	1994 Regular Session, HB 2761 Sections 6-10
			3,000,000	Board of Vo-tech	Equipment and Programs	1994 Regular Session, HB 2761 Section 11
			100,000	Auditor and Inspector	Replace Revolving Fund Rev.	1994 Regular Session, HB 2761 Section 5
			850,000	Election Board	Special Election Costs	1994 Regular Session, HB 2761 Section 14
			1,000,000	Governor	State Emergency Fund	1994 Regular Session, HB 2761 Section 13
			1,000,000	Tax Commission	Ad Valorem Prop. Appraisal	1994 Regular Session, HB 2761 Section 12
			1,000,000	Dept. of Human Services	Juvenile Justice Programs	1994 Regular Session, HB 2761 Section 15-16
			600,000	Conservation Commission	Watershed Maintenance	1994 Regular Session, HB 2761 Section 18
			3,105,709	Water Resources Board	Funding for EPA Grants	1994 Regular Session, HB 2761 Section 3
			250,000	Civil Emergency	Federal Disaster Relief Prog.	1994 Regular Session, HB 2761 Section 4
			2,000,000	Dept. of Corrections	Comm. Sent./Work Center	1994 Regular Session, HB 2761 Section 19-20
			500,000	Military Department	Armory Repairs	1994 Regular Session, HB 2761 Section 21
			<u>45,570,497</u>			
1995	45,570,498	3,555 **	0			
1996	45,574,053	0	6,317,545	Department of Education	1994-95 Mid-term	1996 Regular Session, HB 2824, Section 1
			6,770,799	Department of Education	1995-96 Mid-term	1996 Regular Session, HB 2824, Section 2
			1,500,000	Department of Education	Student Identification System	1996 Regular Session, HB 2824, Section 3
			1,600,000	Department of Agriculture	Rural Fire Protection Grants	1996 Regular Session, HB 2824, Section 4
			1,000,000	State Emergency Fund	State Emergencies	1996 Regular Session, HB 2824, Section 5
			2,987,000	Health Care Authority	Transition to Managed Care	1996 Regular Session, HB 2824, Section 6
			320,428	Military Department	Armory Maintenance	1996 Regular Session, HB 2824, Section 7
			1,192,572	Department of Public Safety	Trooper Academy/Vehicles	1996 Regular Session, HB 2824, Section 8
			1,000,000	Water Resources Board	Weather Modification	1996 Regular Session, HB 2824, Section 9
			<u>22,688,344</u>			
1997	22,885,707	91,415,114 ***	649,646	Attorney General	Murrah Building Bombing Prosecution	1997 Regular Session, HB 1832, Section 1
			1,175,850	Water Resources Board	Sardis Res. Corp of Eng. Payment	1997 Regular Session, HB 1832, Section 2
			1,000,000	Water Resources Board	Weather Modification Prog.	1997 Regular Session, HB 1832, Section 3
			50,000,000	Department of Transportation	HB 1629 Road Plan	1997 Regular Session, HB 1881, Section 1
			<u>52,825,496</u>			

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Year	June 30th Balance	Deposits	Expenditures	Agency	Project	Reference
1998	61,475,325	247,431,207	80,000,000	Dept. of Transportation	Road Plan (HB 1629)	1998 Regular Session, SB 965, Section 1
			22,000,000	Regents for Higher Education	Higher Education Funding	1998 Regular Session, SB 965, Sections 2-3
			342,000	Office of State Finance	Telemedicine Line Charges	1998 Regular Session, SB 965, Section 4
			2,000,000	Regents for Higher Education	Langston University Endowed Chair	1998 Regular Session, SB 965, Section 5
			5,000,000	Vo-Tech Education	Training for Industry Program (TIP)	1998 Regular Session, SB 965, Section 6
			8,200,000	Department of Education	Tech./Clism. (Interactive Hook-ups)	1998 Regular Session, SB 965, Section 7
			8,200,000	Department of Education	Tech./Clism. (Computers for Schools)	1998 Regular Session, SB 965, Section 8
			752,000	Tax Commission	Tax Commission Computer	1998 Regular Session, SB 965, Section 9
			3,000,000	Supreme Court	Supreme Ct/District Ct Computers	1998 Regular Session, SB 965, Section 10
			5,000,000	Historical Society	Murrah Memorial	1998 Regular Session, SB 965, Section 11
			1,500,000	Historical Society	Historical Society (Statewide Projects)	1998 Regular Session, SB 965, Section 12
			1,500,000	Tourism and Recreation	Golf Courses	1998 Regular Session, SB 965, Section 13
			900,000	Tourism and Recreation	State Parks Maintenance	1998 Regular Session, SB 965, Section 14
			3,500,000	Water Resources Board	Drinking Water Rev. Fund Loan Cap.	1998 Regular Session, SB 965, Section 15
			500,000	Water Resources Board	Weather Modification	1998 Regular Session, SB 965, Section 16
			3,500,000	Water Resources Board	Non-point Source Rev. Fund Grants	1998 Regular Session, SB 965, Section 17
			1,000,000	Water Resources Board	Water Quality Monitoring	1998 Regular Session, SB 965, Section 18
			3,000,000	Environmental Quality	Superfund EPA Cleanup (Tar Creek)	1998 Regular Session, SB 965, Section 19
			125,000	Dept. of Agriculture	Fire Ant Research	1998 Regular Session, SB 965, Section 20
			1,750,000	Conservation Commission	Cost Share Match Program	1998 Regular Session, SB 965, Section 21
			1,000,000	Indigent Defense	McVeigh/Nichols Defense (OIDS)	1998 Regular Session, SB 965, Section 22
			500,000	DMHSAS	Drug Court	1998 Regular Session, SB 965, Section 23
			250,000	Dept. of Human Services	Geriatric Day Care	1998 Regular Session, SB 965, Section 24
			750,000	Military Department	Armory Maintenance	1998 Regular Session, SB 965, Section 25
			175,000	Dept. of Central Services	Governor's Manston Guard Facility	1998 Regular Session, SB 965, Section 26
			<u>154,444,000</u>			

1999 154,462,532

FY'99 Balance: 154,462,532

Available for Appropriation: 77,231,266

- * Includes \$10,464 in lapsed funds.
- ** Lapse of unexpended funds back into the CRF.
- *** Includes \$12,909 in lapsed funds.

TABLE 6
1998 Legislative Session
Legislation Impacting Certified Funds

	ADJUSTMENT AMOUNTS FY'99 (100%)	ADJUSTMENT AMOUNTS FY'99 (95%)
GENERAL REVENUE FUND		
<u>Individual Income Tax</u>		
HB 2426, Section 5		
Decrease time for referral of delinquent accounts to collection agencies	\$5,257,430	\$4,994,558
HB 3017, Section 10		
Tax Commission; field business registration	\$2,763,921	\$2,625,725
HB 3152, Section 2		
Marginal tax rate of 6.75% for Method I	(\$14,396,144)	(\$13,676,337)
HB 3152, Section 5		
Withholding tax payment schedule to match federal for large employers	\$18,655,834	\$17,723,043
<u>Sales Tax</u>		
HB 2426, Section 5		
Decrease time for referral of delinquent accounts to collection agencies	\$4,250,290	\$4,037,775
<u>Interest & Investments</u>		
HB 3017, Section 15		
Use of new technology	\$283,710	\$269,524
<u>Other</u>		
SB 894, Section 1		
Fire Marshal; create revolving fund from money currently going to GRI	(\$15,000)	(\$14,250)
SB 1354, Sections 6 & 12		
Securities Commission; fee restructuring	(\$9,300)	(\$8,835)
HB 2426, Sections 13 & 14		
Sale of abandoned securities	\$6,185,000	\$5,875,750
Total General Revenue Fund	\$22,975,741	\$21,826,953
TOTAL CHANGES TO CERTIFIED FUNDS	\$22,975,741	\$21,826,953
EDUCATION REFORM REVOLVING FUND		
<u>Individual Income Tax</u>		
HB 2426, Section 5		
Decrease time for referral of delinquent accounts to collection agencies	\$483,642	N/A
HB 3017, Section 10		
Tax Commission; field business registration	\$307,923	N/A
HB 3152, Section 2		
Marginal tax rate of 6.75% for Method I	(\$1,324,331)	N/A
HB 3152, Section 5		
Withholding tax payment schedule to match federal for large employers	\$1,716,189	N/A
<u>Sales Tax</u>		
HB 2426, Section 5		
Decrease time for referral of delinquent accounts to collection agencies	\$494,396	N/A
TOTAL CHANGES TO EDUCATION REFORM REVOLVING FUND	\$1,677,819	N/A

Source: Office of State Finance

TABLE 7

Bond Issue Agreement - HB 3065, Section 19

Agency/Purpose	Subsection Number	Amount
Agriculture, Department of Boll Weevil Eradication	Subsection 14	3,000,000
Central Services, Department of Lincoln Boulevard Renaissance	Subsection 4	13,800,000
Purchasing Systems Hardware/Software	Subsection 13	2,000,000
Commerce, Department of Native American Cultural Center	Subsection 7	5,000,000
Finance, Office of State Financial Management Information System	Subsection 12	1,000,000
Higher Education, Regents for University of Oklahoma	Subsection 1	5,850,000
Oklahoma State University	Subsection 1	5,850,000
Oklahoma State University - Tulsa Campus	Subsection 1	2,000,000
East Central University	Subsection 1	1,100,000
Northeastern Oklahoma State University	Subsection 1	2,000,000
Northwestern Oklahoma State University	Subsection 1	850,000
Southeastern Oklahoma State University	Subsection 1	1,750,000
Southwestern Oklahoma State University	Subsection 1	1,200,000
University of Central Oklahoma	Subsection 1	2,500,000
Cameron University	Subsection 1	1,200,000
Langston University	Subsection 1	2,000,000
Oklahoma Panhandle State University	Subsection 1	700,000
University of Science and Arts of Oklahoma	Subsection 1	500,000
Carl Albert State College	Subsection 1	700,000
Connors State College	Subsection 1	500,000
Eastern Oklahoma State College	Subsection 1	1,000,000
Murray State College	Subsection 1	600,000
Northeastern Oklahoma A&M College	Subsection 1	500,000
Northern Oklahoma State College	Subsection 1	500,000
Oklahoma City Community College	Subsection 1	1,200,000
Redlands Community College	Subsection 1	500,000
Rogers State College	Subsection 1	4,000,000
Rose State College	Subsection 1	1,100,000
Seminole Junior College	Subsection 1	3,000,000
Tulsa Community College	Subsection 1	2,500,000
Western Oklahoma State College	Subsection 1	500,000
McCurain County Higher Education Program	Subsection 1	200,000
Ardmore Higher Education Program	Subsection 1	200,000
ONENET	Subsection 1	500,000
Historical Society Historical Center	Subsection 2	32,000,000
J.D. McCarty Center New Facility	Subsection 5	10,300,000
Rehabilitative Services, Department of School for the Blind	Subsection 10	6,750,000
School for the Deaf	Subsection 9	6,750,000
Supreme Court Remodel Wiley Post Building	Subsection 3	10,000,000
Tourism and Recreation, Department of Quartz Mountain Lodge	Subsection 15	3,500,000
University Hospitals Authority Technology Incubator Program	Subsection 6	2,000,000
Veterans Affairs, Department of Lawton Facility	Subsection 11	12,000,000
Vocational and Technical Education, Board of Systemwide Equipment and Technology	Subsection 8	5,000,000
Total		158,100,000

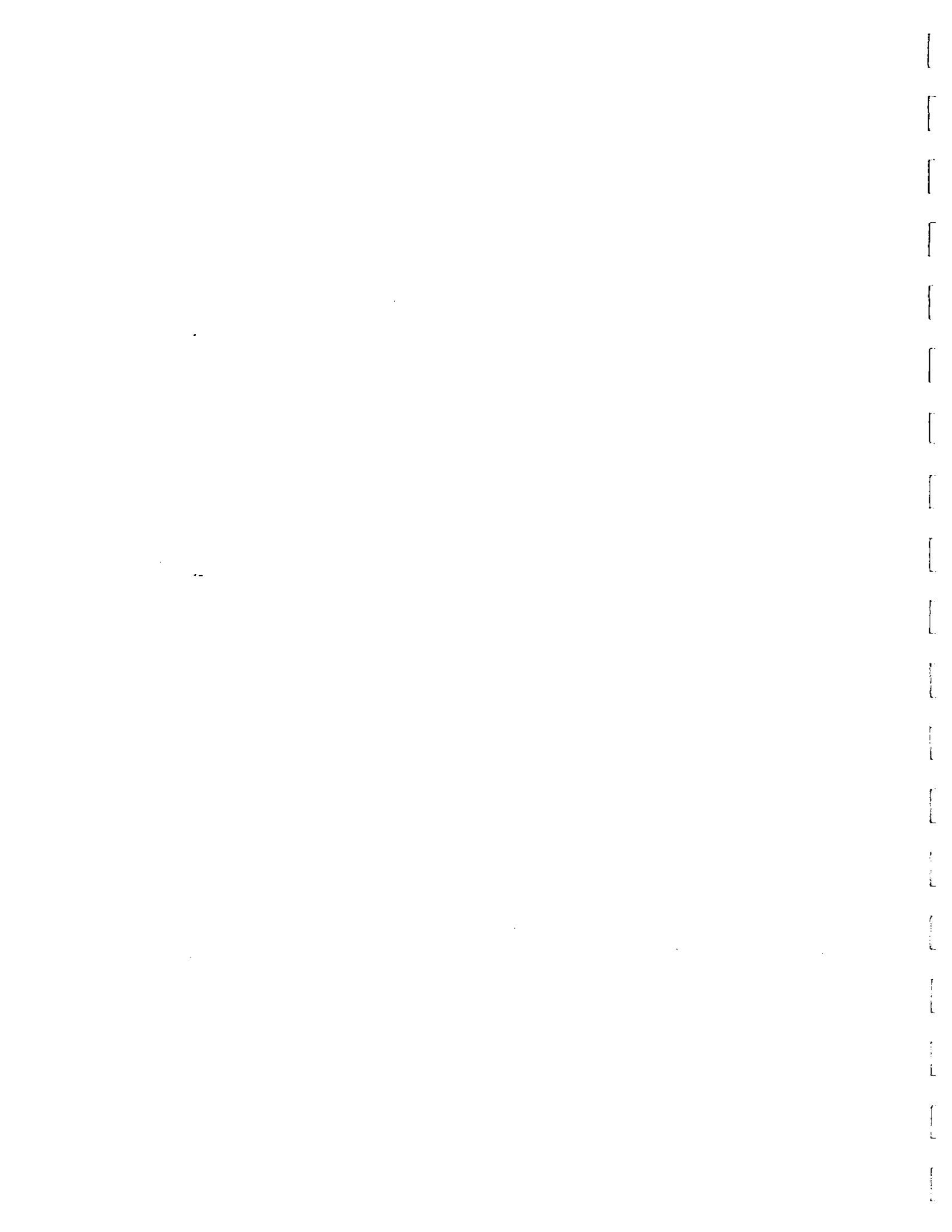
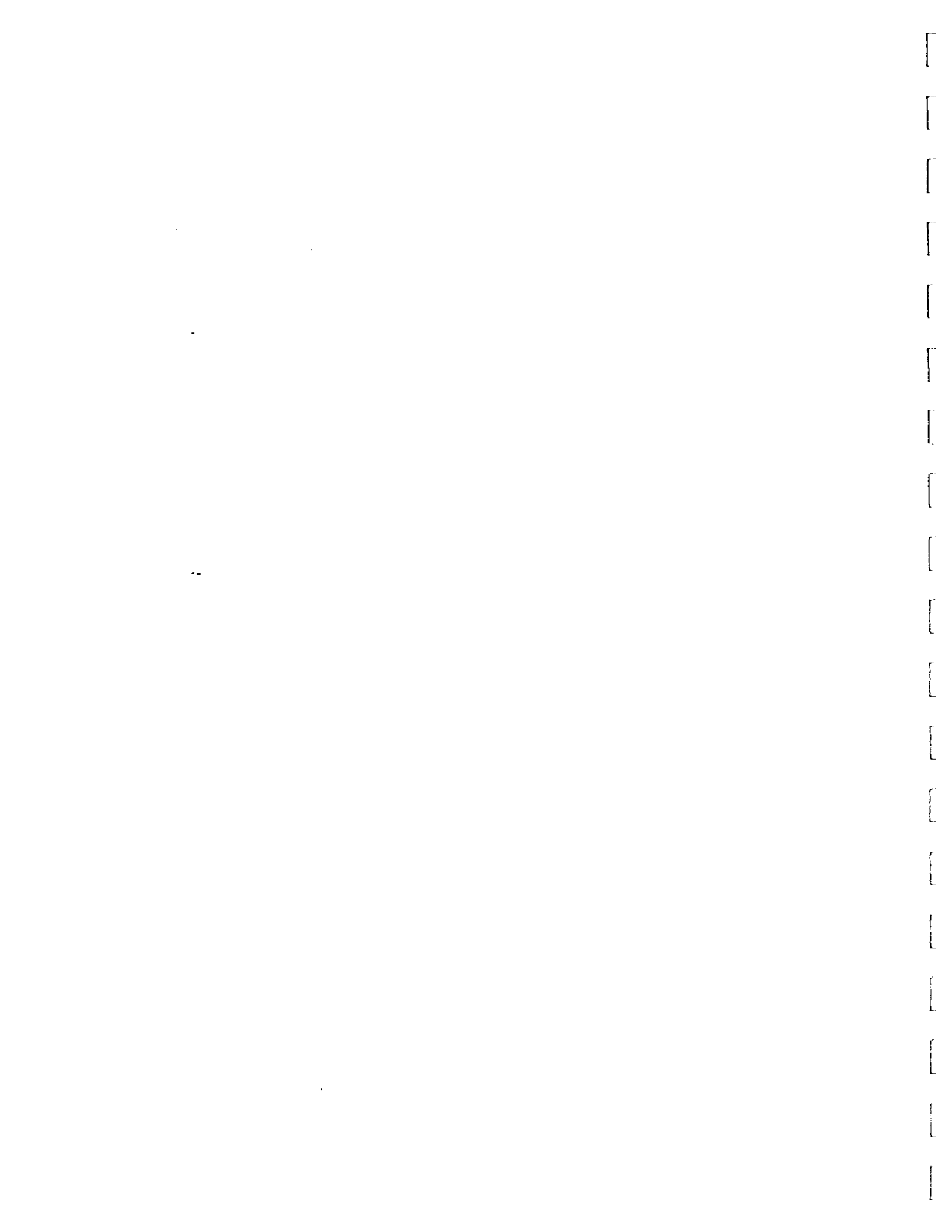


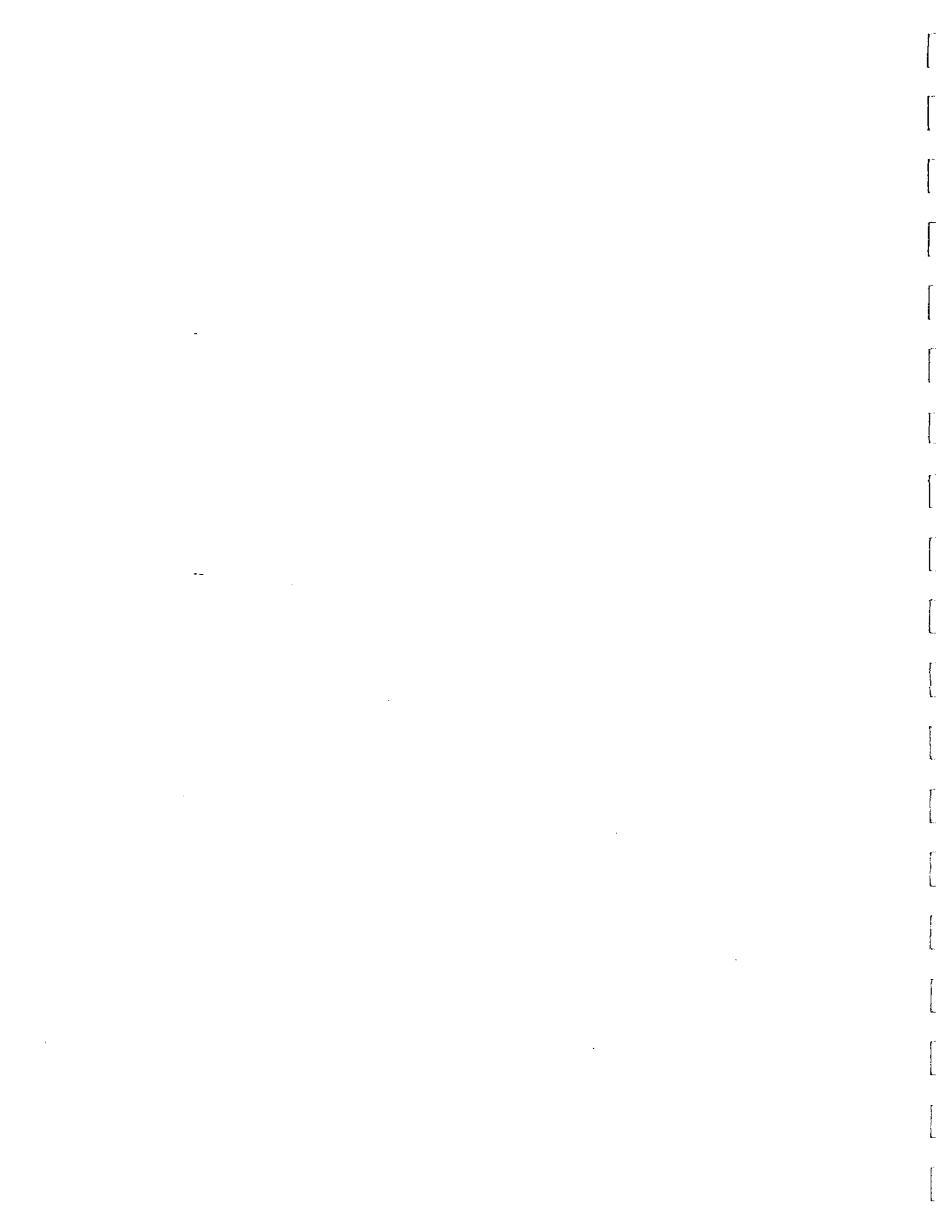
TABLE 8

1998 Legislative Session Appropriation and Related Measures

<u>Subject</u>	<u>Bill Number</u>
General Appropriation Bill.....	HB 3050
Supplemental Appropriation Bills.....	SB 963, SB 964, HB 3055
Constitutional Reserve Fund	SB 965
Revenue Bond Issue	HB 3065, HB 3066
Cash Flow Reserve Transfer.....	SB 970
Other Transfers	SB 969, HB 3060
Rural Economic Action Plan	HB 3050, HB 3017, HB 3068
Deferred Compensation Incentive Fund.....	SB 963, SB 971, HB 3050
Council on Judicial Complaints.....	HB 3063, HB 3064
State Employee Pay Bill.....	HB 2928, HB 2915, HB 3160
FTE Limits.....	SB 974
Unclassified Register	HB 2737
Retiree COLAs.....	SB 1037
FY'98 Budget Limit Changes	SB 970
Cleanup Bill.....	SB 971
Education Services & Support.....	SB 903
Common Education	
School Land Commission	
School of Science and Mathematics	
Teacher Preparation Commission	
Vocational-Technical Education	
State Legal Services.....	SB 907
Attorney General	
District Attorney	
Indigent Defense System	
State Judicial Functions.....	SB 911, SB 914
Court of Criminal Appeals	
District Courts	
Supreme Court	
Workers' Compensation Court	
Legislative Functions	SB 916
House of Representatives	
Legislative Service Bureau	
Senate	
Public Records & Information.....	SB 920
Department of Libraries	
Secretary of State	



<u>Subject</u>	<u>Bill Number</u>
State Health Services	SB 923
Health Department	
Oklahoma Health Care Authority	
J.D. McCarty Center	
Mental Health & Substance Abuse Services	
University Hospitals Authority	
Department of Veteran's Affairs	
Financial Regulatory Entities	SB 930
Banking Department	
Commission on Consumer Credit	
Securities Commission	
Business Regulatory Entities	SB 934
Department of Agriculture	
Horse Racing Commission	
Insurance Department	
Labor Department	
Board of Private Vocational Schools	
Cultural Development	SB 940
Arts Council	
Oklahoma Education Television Authority	
Department of Tourism & Recreation	
Law Enforcement Services	SB 944
ABLE Commission	
Bureau of Investigation	
CLEET	
Board of Medicolegal Investigations	
Bureau of Narcotics & Dangerous Drugs	
Department of Public Safety	
State Corrections System	SB 951
Corrections Department	
Pardon and Parole Board	
Regulation of Energy Production & Distribution	HB 3000
Corporation Commission	
Liquefied Petroleum Gas Board	
Historical Preservation	HB 3003
Historical Society	
J.M. Davis Memorial Commission	
Will Rogers Memorial Commission	
Economic Development Services	SB 969, HB 3010
Department of Commerce	
Center for the Advancement of Science & Technology	
Preservation of Civil Order & Safety	HB 3013
Civil Emergency Management	
Fire Marshal	
Military Department	



<u>Subject</u>	<u>Bill Number</u>
Chief Executive Offices	HB 3007
Governor	
Lt. Governor	
State Revenue Administration	HB 3017
Auditor & Inspector	
Office of State Finance	
Tax Commission	
Treasurer	
State Personnel	HB 3022
Merit Protection Commission	
Office of Personnel Management	
Regulation of Natural Resources & Commodities	HB 3025
Conservation Commission	
Department of Environmental Quality	
Department of Mines	
Water Resources Board	
Treatment Related Agencies	HB 3030
Commission on Children & Youth	
Office of Handicapped Concerns	
Human Rights Commission	
Indian Affairs Commission	
Social Services	HB 3035
Department of Human Services	
Office of Juvenile Affairs	
Department of Rehabilitative Services	
Higher Education	HB 3039
Regents for Higher Education	
Physician Manpower Training Commission	
Supervision of the Electoral Process	HB 3042
Election Board	
Ethics Commission	
State Facility Administration.....	HB 3045
Capitol Improvement Authority	
Office of Central Services	
Transportation.....	HB 3048, HB 1001X
Department of Transportation	

TABLE 9

HB 3152 TAX CHANGES

INCOME TAX RATE REDUCTION		
Current Policy:	Top Marginal Rate for Method I is 7%	
Provision:	Reduce Top Marginal Rate to 6.75%	
Oklahomans Affected:	Majority of Filers (Roughly 740,000 State Tax Filers)	
Implementation:	Tax Year 1999	
Revenue Impact:	<u>Fiscal Year</u>	<u>Impact</u>
	1999	-\$15.6 Million
	2000	-\$41.1 Million
Note:	Legislation includes mechanism to suspend the 0.25% reduction if the State Board of Equalization determines that FY'01 revenue estimates are below FY'00 estimates.	

SALES TAX REBATE			
Current Policy:	All Households, Gross Income Up to \$12,000		
Provision:	Tax Filers <i>Without</i> Dependents, Gross Income Up to \$20,000 Tax Filers With Dependents, Disabled and over Age 65, Gross Income Up to \$50,000		
Oklahomans Affected:	400,000 Tax Filers for 1999 and 600,000 for 2000		
Implementation:		Indiv. Without Dependents	Indiv. With Depend., Disabled. & Over Age 65
	<u>Tax Year</u>	<u>Dependents</u>	<u>& Over Age 65</u>
	1999	\$12,000	\$12,000
	2000	\$15,000	\$30,000
	2001	\$20,000	\$50,000
Revenue Impact:	<u>Fiscal Year</u>	<u>Impact</u>	
	1999	-\$3.9 Million	
	2000	-\$24.6 Million	
	2001	-\$41.0 Million	
Note:	Legislation includes mechanism to prevent or suspend either step of the income threshold increases if the State Board of Equalization determines that fiscal year revenue estimates are insufficient.		

ESTATE TAX EXEMPTION			
Current Policy:	Maximum \$175,000 Deduction for Lineal Heirs		
Provision:	Maximum \$1,000,000 Deduction for Lineal Heirs (Matches Federal Level)		
Oklahomans Affected:	Approximately 70,000 Estates		
Implementation and Revenue Impact:	<u>Year</u>	<u>Deduction (Tax Year)</u>	<u>Impact (Fiscal Year)</u>
	1999	\$275,000	\$0
	2000	\$475,000	-\$8.1 Million
	2001	\$675,000	-\$13.8 Million
	2002	\$700,000	-\$16.3 Million
	2003	\$700,000	-\$16.5 Million
	2004	\$850,000	-\$16.5 Million
	2005	\$950,000	-\$17.7 Million
	2006	\$1,000,000	-\$18.3 Million
	2007	\$1,000,000	-\$18.6 Million

