

Senate Journal

Second Regular Session of the Fifty-seventh Legislature of the State of Oklahoma

Twenty-seventh Legislative Day, Monday, May 4, 2020

The Senate was called to order by Senator Stanislawski.

Roll Call:

Present: Allen, Bergstrom, Bice, Boggs, Boren, Brooks, Bullard, Coleman, Dahm, Daniels, David, Dossett, Dugger, Floyd, Hall, Haste, Hicks, Howard, Ikley-Freeman, Jech, Kidd, Kirt, Leewright, Matthews, McCortney, Montgomery, Murdock, Newhouse, Paxton, Pederson, Pemberton, Pugh, Quinn, Rader, Rosino, Scott, Sharp, Shaw, Silk, Simpson, Standridge, Stanislawski, Stanley, Thompson, Treat, Weaver and Young.—47.

Vacancy: District 28.—1.

Senator Stanislawski declared a quorum present.

The prayer was offered by Senator Stanislawski.

CHANGE IN COMMITTEE ASSIGNMENTS

The following bills will be reassigned as follows:

HB 3870 - Withdrawn from Education and Appropriations and referred Direct to Calendar

HB 4041 - Withdrawn from Health and Human Services and referred Direct to Calendar

GENERAL ORDER

HB 4041 by McCall of the House and Bullard of the Senate was called up for consideration.

Senator Bullard moved that **HB 4041** be advanced, which motion was declared adopted.

THIRD READING

HB 4041 was read for the third time at length.

On the question of passage of the bill, the vote resulted as follows:

Aye: Allen, Bergstrom, Bice, Boggs, Bullard, Coleman, Dahm, Daniels, David, Dossett, Dugger, Hall, Haste, Howard, Jech, Kidd, Leewright, McCortney, Montgomery, Murdock, Newhouse, Paxton, Pederson, Pemberton, Pugh, Quinn, Rader, Rosino, Scott, Sharp, Shaw, Silk, Simpson, Standridge, Stanislawski, Stanley, Thompson, Treat and Weaver.--39.

Nay: Boren, Brooks, Floyd, Hicks, Ikley-Freeman, Kirt, Matthews and Young.--8.

Vacancy: District 28.--1.

The bill passed.

HB 4041 was properly signed and ordered returned to the Honorable House.

GENERAL ORDER

HB 3870 by Wallace of the House and Leewright and Bullard of the Senate was called up for consideration.

Senator Leewright moved that **HB 3870** be advanced, which motion was declared adopted.

THIRD READING

HB 3870 was read for the third time at length.

On the question of passage of the bill and emergency, the vote resulted as follows:

Aye: Allen, Bergstrom, Bice, Boggs, Boren, Brooks, Bullard, Coleman, Dahm, Daniels, David, Dossett, Dugger, Floyd, Hall, Haste, Hicks, Howard, Ikley-Freeman, Jech, Kidd, Kirt, Leewright, Matthews, McCortney, Montgomery, Murdock, Newhouse, Paxton, Pederson, Pemberton, Pugh, Quinn, Rader, Rosino, Scott, Sharp, Shaw, Silk, Simpson, Standridge, Stanislawski, Stanley, Thompson, Treat, Weaver and Young.--47.

Vacancy: District 28.--1.

The bill and emergency passed.

HB 3870 was properly signed and ordered returned to the Honorable House.

MESSAGES FROM THE HOUSE

Advising passage of and returning the following Engrossed bills:

SB 801 - coauthored by Sharp of the Senate
SCR 10

The above-numbered measures were referred for enrollment.

Advising fourth reading of and transmitting for signature Enrolled **HBs 3870** and **4041**.

The above-numbered enrolled measures were, after fourth reading, properly signed and ordered returned to the Honorable House.

MESSAGE FROM THE HOUSE HAS TO SENATE BILL

Advising passage of and returning the following engrossed bill as amended:

SB 300

House amendments were read on the above-numbered bill.

EXECUTIVE NOMINATIONS

The following executive nominations were read and referred to the committee indicated:

Baldrige, Stephen F., Oklahoma City, as a member of the Arkansas-Oklahoma Arkansas River Compact Commission - Energy

Barnett, Dr. Amy L., Weatherford, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Bauman, Sean, Norman, as a member of the Oklahoma Science and Technology Research and Development Board - Energy

Beach, Susan J., Tulsa, as a member of the Oklahoma Real Estate Commission - Business, Commerce and Tourism

Beffort, Mark L., Oklahoma City, as a member of the Council of Bond Oversight - Finance

Beliele, Dr. Laressa D., Newalla, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Bland, Cara, McAlester, as a member of the Board of Regents of Eastern Oklahoma State College - Education

Blunt, Justin M., Owasso, as a member of the Oklahoma Building Code Commission - Business, Commerce and Tourism

Bolen, Darrell Brent, Idabel, as a member of the State Board of Agriculture - Agriculture and Wildlife

Bomhoff, Margaret A., Edmond, as Judge - Oklahoma Workers' Compensation Court of Existing Claims - Judiciary

Bowen, Randall, Edmond, as a member of the Oklahoma Motor Vehicle Commission - Business, Commerce and Tourism

Bower, Michael W., Midwest City, as a member of the Oklahoma State Athletic Commission - Business, Commerce and Tourism

Brosi, Dr. Matthew, Stillwater, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Brownlee, Stanley K., Enid, as a member of the Board of Regents of the Northern Oklahoma College - Education

Burtrum, J. Clay, Stillwater, as a member of the State Board of Agriculture - Agriculture and Wildlife

Campbell, O.D., Kelly C., Ponca City, as a member of the Board of Trustees of the University Center at Ponca City - Education

Casey, Dennis, Morrison, as a member of the Oklahoma State Regents for Higher Education - Education

Cawley, Michael A., Ardmore, as a member of the Board of Regents of the University of Oklahoma - Education

Coburn, Collin M., Tulsa, as a member of the Oklahoma State Board of Examiners for Long-Term Care Administrators - Health and Human Services

Cole, Dr. Evan Rhys, El Reno, as a member of the Board of Regents for the Redlands Community College - Education

Collins, Dr. Kelly, Choctaw, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Coonce, Michael E., Tulsa, as a member of the Board of Trustees for Oklahoma State University-Tulsa - Education

Corbett, Kevin S., Oklahoma City, as Administrator of the Oklahoma Health Care Authority - Health and Human Services

Costilow, Sr., Paul D., Yukon, as a member of the Oklahoma Veterans Commission - Veterans and Military Affairs

Crane, Dr. Canaan, Shawnee, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Crawley, Gary, Savanna, as a member of the Oklahoma Conservation Commission - Agriculture and Wildlife

Danyeur, Kayla, Shawnee, as a member of the Oklahoma Board of Private Vocational Schools - Education

Davison, Dustin, Edmond, as Administrator of the Court of Existing Claims - Judiciary

Dickson, Angela, Midwest City, as a member of the State Board of Licensed Social Workers - Health and Human Services

Dillingham, D. Chad, Enid, as a member of the Oklahoma Wildlife and Conservation Commission - Agriculture and Wildlife

Donoley, B. David, Wilburton, as a member of the Oklahoma Mining Commission - Energy

Dyson, Duane R., Owasso, as a member of the Alarm, Locksmith and Fire Sprinkler Industry Commission - Business, Commerce and Tourism

Easton, John, Bixby, as a member of the Environmental Quality Board - Energy

Essex, D.O., Thomas, Chickasha, as a member of the Oklahoma State Board of Examiners for Long-Term Care Administrators - Health and Human Services

Farzaneh, Jalal, Norman, as a member of the Board of Regents for the Oklahoma City Community College - Education

Favata, Daniel R., Oklahoma City, as a member of the Oklahoma Uniform Building Code Commission - Business, Commerce and Tourism

Ferrell, Shannon, Orlando, as a member of the Environmental Quality Board - Energy

Finley, Todd M., Moreland, as a member of the Construction Industries Board - Business, Commerce and Tourism

Fredman, Johnie D., Shawnee, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Gilbert, Randall R., Tecumseh, as a member of the State Board of Career and Technology Education - Education

Gorman, Thomas A., Bartlesville, as a member of the Oklahoma Water Resources Board - Energy

Greene, Dr. Gary L., Tishomingo, as a member of the Board of Regents of Murray State College - Education

Grimm, Ryan, Tulsa, as a member of the Alarm, Locksmith and Fire Sprinkler Industry Commission - Business, Commerce and Tourism

Groendyke, Jami, Enid, as a member of the Board of Regents of the Northern Oklahoma College - Education

Grothe, Clark, LCSW, Piedmont, as a member of the State Board of Licensed Social Workers - Health and Human Services

Gunderson, Paul D., Broken Arrow, as a member of the Oklahoma Uniform Building Code Commission - Business, Commerce and Tourism

Hall, Kara, Edmond, as a member of the Oklahoma Educational Television Authority - Education

Harder, Joel, Oklahoma City, as a member of the State Board of Licensed Social Workers - Health and Human Services

Harrel, James D., Leedey, as a member of the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges - Education

Hernandez, Robert, Muskogee, as a member of the Alarm, Locksmith and Fire Sprinkler Industry Commission - Business, Commerce and Tourism

Higgins, Hobie H., Tulsa, as a member of the Oklahoma Tourism and Recreation Commission - Business, Commerce and Tourism

Hollingsworth, Charles Blake, Ardmore, as a member of the Commission on Consumer Credit - Business, Commerce and Tourism

Holloway, Anita L., Tulsa, as a member of the Board of Regents of the University of Oklahoma - Education

Holt, John R., Chickasha, as a member of the Oklahoma Used Motor Vehicle and Parts Commission - Business, Commerce and Tourism

Humphrey, Darrin, Choctaw, as a member of the Oklahoma State Athletic Commission - Business, Commerce and Tourism

Johnson, Christopher W., Edmond, as a member of the Commission on Consumer Credit - Business, Commerce and Tourism

Kelley, Jr., Larry E., Broken Arrow, as a member of the Construction Industries Board - Business, Commerce and Tourism

Knox-Acosta, Teresa, Tulsa, as a member of the Oklahoma Board of Private Vocational Schools - Education

Kokendoffer, Billy, Vian, as a member of the Oklahoma Veterans Commission - Veterans and Military Affairs

Krieger, Bradley, Edmond, as a member of the State Banking Board - Business, Commerce and Tourism

Lenaburg, Dr. Gary, Tecumseh, as a member of the State Board of Veterinary Medical Examiners - Agriculture and Wildlife

Levit, Janet K., Tulsa, as a member of the Oklahoma Science and Technology Research and Development Board - Energy

Lewis, Tommy, Idabel, as a member of the State Textbook Committee - Education

Madrid, P. Alfredo, Owasso, as a member of the Commission on Consumer Credit - Business, Commerce and Tourism

Martin, Mike, Davis, as a member of the Oklahoma Educational Television Authority - Education

May, Lea L., Oklahoma City, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Mercer, Matthew M., Oklahoma City, as a member of the Oklahoma Mining Commission - Energy

Moses, Robert, Guthrie, as a member of the Commission on Consumer Credit - Business, Commerce and Tourism

Palmer, Thomas K., Tulsa, as a member of the State Fire Marshal Commission - General Government

Privrat, John, Edmond, as a member of the Air Quality Advisory Council - Energy

Reed, Deanna J., Poteau, as a member of the Board of Regents for Carl Albert State College - Education

Reinmiller, Hamel, Tulsa, as a member of the State Board of Behavioral Health Licensure - Health and Human Services

Rhines, Steven P., Ardmore, as a member of the Oklahoma Science and Technology Research and Development Board - Energy

Rooks-Jones, Jennifer, Valliant, as a member of the Oklahoma Used Motor Vehicle and Parts Commission - Business, Commerce and Tourism

Rooney, Patrick T., Oklahoma City, as a member of the Oklahoma Student Loan Authority - Education

Scott, Stephen M., Ponca City, as a member of the Board of Trustees of the University Center at Ponca City - Education

Sherry, Jack O., Holdenville, as a member of the Oklahoma State Regents for Higher Education - Education

Shreve, Terrence L., Barnsdall, as a member of the Oklahoma Used Motor Vehicle and Parts Commission - Business, Commerce and Tourism

Smith, Glen W., Edmond, as a member of the State Board of Licensure for Professional Engineers and Land Surveyors - Business, Commerce and Tourism

Smith, Gregory C., Midwest City, as a member of the Board of Regents for Rose State College - Education

Spencer, Dwight W., Sallisaw, as a member of the Board of Regents for Carl Albert State College - Education

Spradley, Larry G., Howe, as a member of the Board of Regents of Eastern Oklahoma State College - Education

Stuteville, C. Eric, Durant, as a member of the Oklahoma Motor Vehicle Commission - Business, Commerce and Tourism

Symcox, Lee R., Nichols Hills, as a member of the Oklahoma Student Loan Authority - Education

Terry, Mary R., Ada, as a member of the Oklahoma Real Estate Commission - Business, Commerce and Tourism

Teubner, Russell, Stillwater, as a member of the Oklahoma Science and Technology Research and Development Board - Energy

Teubner, Russell, Stillwater, as a member of the Oklahoma Science and Technology Research and Development Board - Energy

Thompson, R. Mick, Edmond, as a member of the State Banking Board - Business, Commerce and Tourism

Tikalsky, Ph. D., Paul J., Stillwater, as a member of the Oklahoma Science and Technology Research and Development Board - Energy

Treadwell, T. Kent, Mustang, as a member of the Oklahoma State Credit Union Board - Business, Commerce and Tourism

Van Schuyver, Larry, Edmond, as a member of the Oklahoma Veterans Commission - Veterans and Military Affairs

Ventris, E. Keith, Clinton, as a member of the Oklahoma Development Finance Authority - Finance

Ventris, E. Keith, Clinton, as a member of the Oklahoma Development Finance Authority - Finance

Ventris, E. Keith, Clinton, as a member of the Oklahoma Industrial Finance Authority - Finance

Ventris, E. Keith, Clinton, as a member of the Oklahoma Industrial Finance Authority - Finance

Whitehead, Kyle, Enid, as a member of the Board of Pharmacy - Health and Human Services

Wilbanks, Joe, Moore, as a member of the Commission on Consumer Credit - Business, Commerce and Tourism

Wilkerson, Kelly L., Chickasha, as a member of the Board of Regents of the University of Science and Arts of Oklahoma - Education

Willoughby, Richard A., Guthrie, as a member of the State Board of Licensure for Professional Engineers and Land Surveyors - Business, Commerce and Tourism

Winchester, Susan C., Chickasha, as a member of the Regional University System of Oklahoma - Education

Worthen-Lodes, Laura M., Edmond, as a member of the Air Quality Advisory Council - Energy

Senator David moved that when the clerk's desk is clear, the Senate stand adjourned to convene Tuesday, May 5, 2020, at 9:30 a.m., which motion prevailed.

SECOND READING

The following were read for the second time and referred to committee as indicated:

HB 2821 – Judiciary

HB 2838 – General Government

HB 3114 – Finance

HB 3588 – Education

HJR 1027 – Rules

SB 1921 – Joint Committee on Appropriations and Budget

SB 1922 – Joint Committee on Appropriations and Budget

SB 1923 – Joint Committee on Appropriations and Budget

SB 1924 – Joint Committee on Appropriations and Budget

SB 1925 – Joint Committee on Appropriations and Budget

SB 1926 – Joint Committee on Appropriations and Budget

- SB 1927** – Joint Committee on Appropriations and Budget
- SB 1928** – Joint Committee on Appropriations and Budget
- SB 1929** – Joint Committee on Appropriations and Budget
- SB 1930** – Joint Committee on Appropriations and Budget
- SB 1931** – Joint Committee on Appropriations and Budget
- SB 1932** – Joint Committee on Appropriations and Budget
- SB 1933** – Joint Committee on Appropriations and Budget
- SB 1934** – Joint Committee on Appropriations and Budget
- SB 1935** – Joint Committee on Appropriations and Budget
- SB 1936** – Joint Committee on Appropriations and Budget
- SB 1937** – Joint Committee on Appropriations and Budget
- SB 1938** – Joint Committee on Appropriations and Budget
- SB 1939** – Joint Committee on Appropriations and Budget
- SB 1940** – Joint Committee on Appropriations and Budget
- SB 1941** – Joint Committee on Appropriations and Budget
- SB 1942** – Joint Committee on Appropriations and Budget
- SB 1943** – Joint Committee on Appropriations and Budget
- SB 1944** – Joint Committee on Appropriations and Budget
- SB 1945** – Joint Committee on Appropriations and Budget

COMMITTEE REPORTS

The following were reported by the committees named, ordered printed and placed on the Calendar:

DO PASS, As Amended:

CS for SB 1046 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Bice, Brooks, Dossett, Dugger, Floyd, Hall, Ikley-Freeman, Jech, Kidd, Matthews, Montgomery, Pemberton, Rader, Rosino, Shaw, Simpson, Stanislawski, Thompson

Nays: Daniels, Pugh, Scott

House:

Ayes: Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, McBride, McEntire, Meredith, Munson, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Virgin, Walke, Wallace, West (J), Worthen.--23

Nays: Lepak, Martinez, Newton, Taylor, West (K).--5

CS for SB 1073 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Bice, Brooks, Dossett, Dugger, Floyd, Hall, Ikley-Freeman, Jech, Kidd, Matthews, Montgomery, Pemberton, Pugh, Rader, Rosino, Scott, Shaw, Simpson, Thompson

Nays: Daniels, Stanislawski

House:

Ayes: Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, Kannady, Lepak, Martinez, McBride, McEntire, Meredith, Munson, Newton, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Taylor, Virgin, Walke, Wallace, West (J), West (K), Worthen.--29

CS for SB 1921 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Bice, Brooks, Daniels, Dossett, Dugger, Floyd, Hall, Ikley-Freeman, Jech, Kidd, Matthews, Montgomery, Pemberton, Pugh, Rader, Rosino, Scott, Shaw, Simpson, Stanislawski, Thompson

House:

Ayes: Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, Kannady, Lepak, Martinez, McBride, McEntire, Meredith, Munson, Newton, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Taylor, Virgin, Walke, Wallace, West (J), West (K), Worthen.--29

CS for SB 1922 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Bice, Daniels, Dugger, Hall, Jech, Kidd, Montgomery, Pemberton, Pugh, Rader, Rosino, Scott, Shaw, Simpson, Stanislawski, Thompson

Nays: Brooks, Dossett, Floyd, Ikley-Freeman, Matthews

House:

Ayes: Baker, Echols, Fetgatter, Ford, Hilbert, Kannady, Lepak, Martinez, McBride, McEntire, Newton, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Taylor, Wallace, West (J), West (K), Worthen.--23

Nays: Bennett, Meredith, Munson, Nichols, Virgin, Walke.--6

CS for SB 1931 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Brooks, Dossett, Dugger, Floyd, Ikley-Freeman, Kidd, Matthews, Montgomery, Pemberton, Rader, Simpson, Thompson

Nays: Bice, Daniels, Hall, Jech, Pugh, Rosino, Scott, Shaw, Stanislawski

House:

Ayes: Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, Kannady, Lepak, Martinez, McBride, McEntire, Meredith, Munson, Newton, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Taylor, Virgin, Walke, Wallace, West (J), West (K).--

28

Nays: Worthen.--1

CS for SB 1935 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Bice, Brooks, Dossett, Dugger, Floyd, Hall, Ikley-Freeman, Jech, Kidd, Matthews, Pemberton, Rader, Rosino, Shaw, Simpson, Thompson

Nays: Daniels, Montgomery, Pugh, Scott, Stanislawski

House:

Ayes: Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, McBride, McEntire, Meredith, Munson, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Virgin, Walke, Wallace, West (J), Worthen.--23

Nays: Lepak, Martinez, Newton, Taylor, West (K).--5

CS for SB 1937 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Bice, Brooks, Daniels, Dossett, Dugger, Floyd, Hall, Ikley-Freeman, Jech, Kidd, Matthews, Montgomery, Pemberton, Pugh, Rader, Rosino, Scott, Shaw, Simpson, Stanislawski, Thompson

House:

Ayes: Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, Kannady, Lepak, Martinez, McBride, McEntire, Meredith, Munson, Newton, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Taylor, Virgin, Walke, Wallace, West (J), West (K), Worthen.--29

CS for SB 1944 – Joint Committee on Appropriations and Budget

Senate:

Ayes: Bice, Brooks, Daniels, Dossett, Dugger, Floyd, Hall, Ikley-Freeman, Jech, Kidd, Matthews, Montgomery, Pemberton, Pugh, Rader, Rosino, Scott, Shaw, Simpson, Stanislawski, Thompson

House:

Ayes: Baker, Bennett, Echols, Fetgatter, Ford, Hilbert, Kannady, Lepak, Martinez, McBride, McEntire, Meredith, Munson, Newton, Nichols, O'Donnell, Ortega, Osburn, Pfeiffer, Roberts (D), Russ, Sanders, Taylor, Virgin, Walke, Wallace, West (J), West (K), Worthen.--29

FIRST READING

The following were introduced and read the first time:

SJR 42 – By Montgomery.

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 23 of Article X of the Oklahoma Constitution; modifying limitation on expenditure of certain amounts from Constitutional Reserve Fund; increasing Fund threshold balance required for certain expenditure; increasing amount which may be spent from Fund; adding specified purpose for expenditure; eliminating required prioritization of specified recommendations; limiting applicability of certain restrictions to specified establishment types; conforming language; providing ballot title; and directing filing.

SJR 43 – By Montgomery.

A Joint Resolution directing the Secretary of State to refer to the people for their approval or rejection a proposed amendment to Section 24 of Article X of the Oklahoma Constitution; adding condition under which the State may contract debt and specifying that condition be declared by Governor through executive order; providing ballot title; and directing filing.

CHANGE IN AUTHORS/COAUTHORS

The following measures were authored/coauthored:

SB 300 - Coauthored by Representative Fugate

SB 801 - Coauthored by Representative Fugate

SB 1944 - Coauthored by Representative Nichols

HB 1992 - Coauthored by Senator Dugger

Coauthored by Senator Rader

Coauthored by Senator Bullard

HB 2792 - Coauthored by Senator Shaw

HB 3921 - Coauthored by Representative Fugate

MESSAGES FROM THE GOVERNOR

Advising his approval April 9, 2020, of Enrolled **SBs 617** and **1053**.

Advising that on April 13, 2020, in accordance with Article 2, Section 11, of the Oklahoma Constitution, **Senate Bill 199** has become law without the Governor's signature and has been filed with the Office of the Secretary of State.

COMMUNICATIONS

Report from the Executive Director of the Oklahoma Tax Commission re projected State revenue for FY2021.

Dear Speaker McCall and President Pro Tempore Treat:

At the Board of Equalization meeting today, the Executive Director of the Oklahoma Tax Commission presented revised estimates for revenues available from major tax sources to be apportioned for Fiscal Year 2021. Their best estimate, based on the impact of the COVID-19 economic downturn and resultant decrease in income and sales taxes, together with the significant drop in oil prices and the ensuing drop in gross production taxes, is that the State's revenues for the period ending June 30, 2021, will decrease approximately \$1,733,729,000 from impacts to major source collections, which will impact the General Revenue Fund negatively by approximately \$1,366,288,860.

In light of the extraordinary circumstances of the current COVID-19 global pandemic, we the Board believe it is important to point out that the February 18, 2020 certified general revenue numbers are no longer reliable for consideration of the state's fiscal plan for fiscal year 2021. We respectfully advise that the Legislature take into account the above information from the Oklahoma Tax Commission to properly adjust expectations of estimated revenue for planning purposes in crafting a budget for Fiscal Year 2021.

Very truly yours,

/s/ Kevin Stitt
J. Kevin Stitt, Governor
Chairman, Board of Equalization

STATE BOARD OF EQUALIZATION

SPECIAL MEETING

20-Apr-20

Shelly Paulk
State Budget Director
Office of Management and Enterprise Services

TABLE OF CONTENTS		
		Page
Schedule 1	Estimates of Major Source Changes - General Revenue Fund	1
Schedule 2	Itemized Estimates of Revenue FY-2020	2
Comparison of Revenue Estimates: Detail		
Schedule 3	FY-2020 Official June Estimate (27-June-2019) v. FY-2020 February Projection (18-February-2020)	3
Schedule 4	FY-2020 February Projection (18-February-2020) v. FY-2020 April Projection (20-April-2020)	4
Schedule 5	FY-2020 Official June Estimate (27-June-2019) v. FY-2020 April Projection (20-April-2020)	5

ESTIMATES OF FY-2020 MAJOR SOURCE CHANGES GENERAL REVENUE FUND Schedule 1				
Column 1	Column 2	Column 3	Column 4	Column 5
	APPORTIONMENT FY-2020 RE-ESTIMATE 18-Feb-20	APPORTIONMENT FY-2020 RE-ESTIMATE 20-Apr-20	100% APPORTIONMENT DIFFERENCE 20-Apr-20	100% GRF CHANGE FROM FEB 20-Apr-20
OTC:				
Income Tax-Individual	\$3,470,883,000	\$3,470,883,000	\$0	\$0
Income Tax-Corporate	402,942,000	356,559,000	(46,383,000)	(35,946,825)
Sales Tax	2,570,103,000	2,553,807,000	(16,296,000)	(13,625,086)
Use Tax	407,753,000	400,972,000	(6,781,000)	(5,669,594)
Motor Vehicle Taxes	<u>794,409,000</u>	<u>794,409,000</u>	<u>0</u>	<u>0</u>
SUB-TOTAL - ECONOMIC CHANGE:	\$7,646,090,000	\$7,576,630,000	(\$69,460,000)	(\$55,241,505)
Gross Production Natural Gas Tax	213,448,000	207,966,000	(5,482,000)	(\$4,701,525)
Gross Production Oil Tax	<u>632,014,000</u>	<u>586,587,000</u>	<u>(45,427,000)</u>	<u>(\$35,926,680)</u>
TOTAL ECONOMIC CHANGE:	\$8,491,552,000	\$8,371,183,000	(\$120,369,000)	(\$95,869,710)
IRS Deadline Change - Individual Income Tax			(387,000,000)	(\$331,504,200)
IRS Deadline Change - Corporate Income Tax			<u>(25,000,000)</u>	<u>(\$19,375,000)</u>
TOTAL GRF CHANGE FROM FEBRUARY BOE:			(532,369,000)	(446,748,910)

ITEMIZED ESTIMATES OF REVENUE TO THE GENERAL REVENUE FUND				
Schedule 2				
The itemized estimates of revenues displayed in this schedule represent 100% estimates for the General Revenue Fund. For informational purposes, the FY-2020 updated projected revenues are compared to all previous itemized estimates and projections of revenues for the current fiscal year (FY-2020).				
Column 1	Column 2	Column 3	Column 4	Column 5
FUND NAME	FY-2020 ESTIMATE 27-Jun-19	FY-2020 PROJECTED 20-Dec-19	FY-2020 PROJECTED 18-Feb-20	FY-2020 PROJECTED 20-Apr-20
GENERAL REVENUE				
Alcohol Beverage Tax	\$33,238,000	\$39,611,000	\$39,225,000	\$39,225,000
Mixed Beverage Receipts Tax	\$78,213,000	\$87,830,000	\$86,030,000	\$86,030,000
Beverage Tax	\$0	\$0	\$0	\$0
Cigarette Tax	\$44,064,213	\$49,128,185	\$48,982,139	\$48,982,139
Tobacco Products Tax	\$34,439,552	\$33,923,513	\$33,695,973	\$33,695,973
Franchise Tax/Bus Activity Tax	\$51,175,000	\$56,414,000	\$57,329,000	\$57,329,000
Gross Production Tax-Gas	\$412,191,000	\$222,626,000	\$177,238,000	\$172,536,475
Gross Production Tax-Oil	\$367,226,000	\$345,948,000	\$345,306,000	\$309,379,320
Income Tax-Individual	\$2,729,089,895 ^{**}	\$2,657,619,576 ^{**}	\$2,623,305,378 ^{**}	\$2,291,801,178 ^{**}
Income Tax-Corporate	\$195,972,700	\$233,486,575	\$312,280,050	\$256,958,225
Estate Tax	\$0	\$0	\$0	\$0
Insurance Premium Tax	\$111,660,152	\$113,498,495	\$113,498,495	\$113,498,495
Motor Vehicle Taxes	\$25,747,000 ¹	\$25,774,000 ¹	\$25,818,000 ¹	\$25,818,000 ¹
Sales Tax	\$2,215,559,022	\$2,208,641,760	\$2,148,863,118	\$2,135,238,033
Use Tax	\$350,807,912 ²	\$333,088,862 ²	\$323,782,233 ²	\$318,112,639 ²
Interest & Investments	\$115,000,000	\$105,000,000	\$105,000,000	\$105,000,000
Other (Schedule 8)	223,863,049 ¹	230,699,663 ¹	228,296,420 ¹	228,296,420 ¹
General Revenue Totals	\$6,988,246,495	\$6,743,289,629	\$6,668,649,807	\$6,221,900,897
Transfers & Lapses	1,000,000	1,000,000	1,000,000	1,000,000
Revenue Comparison	\$6,989,246,495	\$6,744,289,629	\$6,669,649,807	\$6,222,900,897
One-Time Receipts	0	0	0	0
Total General Revenue	\$6,989,246,495	\$6,744,289,629	\$6,669,649,807	\$6,222,900,897

^{*}The amount of money allocated from income tax revenue for FY2020 was \$77.3M, which has been removed from the respective individual income tax numbers.

¹Pursuant to House Bill 1014XX passed during the Second Special Session in 2017, amending Title 69, Section 1521 of the Oklahoma Highway Code, effective July 1, 2019, Motor Fuels Taxes enacted by HB1010XX and most Motor Vehicle Taxes previously distributed to the GRF are to be directed to the ROADS Fund and an equal amount of personal income tax currently diverted to the ROADS Fund will be redirected to the GRF. The ROADS Fund contributions from Motor Vehicle revenue, diesel fuel taxes, and gasoline fuel taxes for FY 2020 are projected to be \$194.1M, \$54.2M, and \$59.2M, respectively. This schedule reflects the decreased FY 2020 Motor Vehicle revenue contribution to GRF and the offsetting increase in the personal income tax contribution to the GRF.

²Pursuant to HB1019XX passed during the Second Special Session in 2017, amending Title 68, Section 1403, the first \$20.5M in Use Taxes will be apportioned to the Education Reform Revolving Fund (1017). This amount has been removed from GRF Use Tax numbers.

COMPARISON OF REVENUE ESTIMATES				
FY-2020 OFFICIAL JUNE ESTIMATE vs. FY-2020 FEBRUARY PROJECTION				
Schedule 3				
Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2020 ESTIMATE 27-Jun-19	FY-2020 PROJECTED 18-Feb-20	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$33,238,000	\$39,225,000	\$5,987,000	18.0%
Mixed Beverage Receipts Tax	78,213,000	86,030,000	7,817,000	10.0%
Beverage Tax	0	0	0	0.0%
Cigarette Tax	44,064,213	48,982,139	4,917,927	11.2%
Tobacco Products Tax	34,439,552	33,695,973	(743,579)	-2.2%
Franchise Tax/Bus Activity Tax	51,175,000	57,329,000	6,154,000	12.0%
Gross Production Tax-Gas	412,191,000	177,238,000	(234,953,000)	-57.0%
Gross Production Tax-Oil	367,226,000	345,306,000	(21,920,000)	-6.0%
Income Tax-Individual	2,729,089,895	2,623,305,378	(105,784,517)	-3.9%
Income Tax-Corporate	195,972,700	312,280,050	116,307,350	59.3%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	111,660,152	113,498,495	1,838,343	1.6%
Motor Vehicle Taxes	25,747,000	25,818,000	71,000	0.3%
Sales Tax	2,215,559,022	2,148,863,118	(66,695,904)	-3.0%
Use Tax	350,807,912	323,782,233	(27,025,678)	-7.7%
Interest & Investments	115,000,000	105,000,000	(10,000,000)	-8.7%
Other (Schedule 7)	223,863,049	228,296,420	4,433,370	2.0%
General Revenue Totals	\$6,988,246,495	\$6,668,649,807	(\$319,596,688)	-4.6%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$6,989,246,495	\$6,669,649,807	(\$319,596,688)	-4.6%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$6,989,246,495	\$6,669,649,807	(\$319,596,688)	-4.6%
All notes from Schedule 2 apply.				

COMPARISON OF REVENUE ESTIMATES				
FY-2020 FEBRUARY PROJECTION vs. FY-2020 APRIL PROJECTION				
Schedule 4				
Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2020 PROJECTED 18-Feb-20	FY-2020 PROJECTED 20-Apr-20	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$39,225,000	\$39,225,000	\$0	0.0%
Mixed Beverage Receipts Tax	86,030,000	86,030,000	0	0.0%
Beverage Tax	0	0	0	0.0%
Cigarette Tax	48,982,139	48,982,139	0	0.0%
Tobacco Products Tax	33,695,973	33,695,973	0	0.0%
Franchise Tax/Bus Activity Tax	57,329,000	57,329,000	0	0.0%
Gross Production Tax-Gas	177,238,000	172,536,475	(4,701,525)	-2.7%
Gross Production Tax-Oil	345,306,000	309,379,320	(35,926,680)	-10.4%
Income Tax-Individual	2,623,305,378	2,291,801,178	(331,504,200)	-12.6%
Income Tax-Corporate	312,280,050	256,958,225	(55,321,825)	-17.7%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	113,498,495	113,498,495	0	0.0%
Motor Vehicle Taxes	25,818,000	25,818,000	0	0.0%
Sales Tax	2,148,863,118	2,135,238,033	(13,625,086)	-0.6%
Use Tax	323,782,233	318,112,639	(5,669,594)	-1.8%
Interest & Investments	105,000,000	105,000,000	0	0.0%
Other (Schedule 7)	228,296,420	228,296,420	0	0.0%
General Revenue Totals	\$6,668,649,807	\$6,221,900,897	(\$446,748,910)	-6.7%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$6,669,649,807	\$6,222,900,897	(\$446,748,910)	-6.7%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$6,669,649,807	\$6,222,900,897	(\$446,748,910)	-6.7%
All notes from Schedule 2 apply.				

COMPARISON OF REVENUE ESTIMATES				
FY-2020 OFFICIAL JUNE ESTIMATE vs. FY-2020 APRIL PROJECTION				
Schedule 5				
Column 1	Column 2	Column 3	Column 4	Column 5
	FY-2020 ESTIMATE 27-Jun-19	FY-2020 PROJECTED 20-Apr-20	INCREASE OR (DECREASE)	PERCENT CHANGE
GENERAL REVENUE FUND				
Alcohol Beverage Tax	\$33,238,000	\$39,225,000	\$5,987,000	18.0%
Mixed Beverage Receipts Tax	78,213,000	86,030,000	7,817,000	10.0%
Beverage Tax	0	0	0	0.0%
Cigarette Tax	44,064,213	48,982,139	4,917,927	11.2%
Tobacco Products Tax	34,439,552	33,695,973	(743,579)	-2.2%
Franchise Tax/Bus Activity Tax	51,175,000	57,329,000	6,154,000	12.0%
Gross Production Tax-Gas	412,191,000	172,536,475	(239,654,525)	-58.1%
Gross Production Tax-Oil	367,226,000	309,379,320	(57,846,680)	-15.8%
Income Tax-Individual	2,729,089,895	2,291,801,178	(437,288,717)	-16.0%
Income Tax-Corporate	195,972,700	256,958,225	60,985,525	31.1%
Estate Tax	0	0	0	0.0%
Insurance Premium Tax	111,660,152	113,498,495	1,838,343	1.6%
Motor Vehicle Taxes	25,747,000	25,818,000	71,000	0.3%
Sales Tax	2,215,559,022	2,135,238,033	(80,320,990)	-3.6%
Use Tax	350,807,912	318,112,639	(32,695,272)	-9.3%
Interest & Investments	115,000,000	105,000,000	(10,000,000)	-8.7%
Other (Schedule 7)	223,863,049	228,296,420	4,433,370	2.0%
General Revenue Totals	\$6,988,246,495	\$6,221,900,897	(\$766,345,598)	-11.0%
Transfers & Lapses	1,000,000	1,000,000	0	0.0%
Revenue Comparison	\$6,989,246,495	\$6,222,900,897	(\$766,345,598)	-11.0%
One-Time Receipts	0	0	0	0.0%
Total General Revenue	\$6,989,246,495	\$6,222,900,897	(\$766,345,598)	-11.0%
5% Reserve			\$349,462,325	
Projected Revenue Failure			(\$416,883,273)	-6.0%
All notes from Schedule 2 apply.				

Pursuant to the David motion, the Senate adjourned at 1:55 p.m. to meet Tuesday, May 5, 2020, at 9:30 a.m.