

OKLAHOMA CITY — A state panel meets Monday to revise the current state budget and certify revenue available for lawmakers to spend in the next fiscal year. The Board of Equalization will revise fiscal year 2016 revenue estimates downward due to depressed energy prices. The result will be a revenue failure requiring budget cuts ranging from 2 percent to 4 percent for state agencies starting in January. The board will also certify revenue available for building the fiscal year 2017 budget. State officials have said lawmakers will have a least \$900.8 million less to spend compared to fiscal year 2016. That figure is expected to grow. Gov. Mary Fallin chairs the Board of Equalization. Other members include Lt. Gov. Todd Lamb, State Auditor and Inspector Gary Jones, State Treasurer Ken Miller, Attorney General Scott Pruitt, Oklahoma Superintendent of Public Instruction Joy Hofmeister and Secretary of Agriculture Jim Reese. —“Obviously we have not taken steps to avoid this,” Jones said. —“For multiple years, we have been saying there needs to be a review of the tax credit programs. They put it off until now. We have a committee that will look at it at the end of the year.” Jones said the Legislature should consider a moratorium on all tax credits. A few years ago, the late Rep. David Dank, R-Okla., held several meetings to review the tax credits the state grants in an effort to generate economic activity. Despite the exhaustive review, no substantial overhaul was ever enacted. The tax credits and incentives are in excess of \$1 billion, state officials have said. House Minority Leader Scott Inman, D-Okla., said the budget picture is the result of a —“failure of leadership.” The state has cut too much in income taxes and layered on tax credits and exemptions, he said. State law makes it difficult for taxes to be raised. State Question 640, approved by the voters in 1992, requires that tax increases receive three-fourths support in both the House and the Senate, or go to a vote of the people. Legislative officials say it is highly unlikely that the Legislature would increase taxes. House Appropriations and Budget Chairman Earl Sears, R-Okla., said

there is a lot of finger-pointing going on regarding the budget situation and how it was created. "But the bottom line is the energy sector and the downturn they are encountering right now is the big reason why our revenues are in difficulty," Sears said. "There are a lot of things we can control in Oklahoma. But we can't control the world oil market. The good news is we have been through this before and we will come through this one." The last revenue failure was in 2009. "It is going to be a difficult budget year," Miller said. "I think the budget writers have a difficult task ahead of them. I will do everything I can to support and help them. It does not good to point fingers one way or the other," he said. Last week, officials in advance of Monday's meeting held a press conference to discuss the figures. During that press conference, House Speaker Jeff Hickman, R-Fairview, decried as misleading reports that have said the state has reduced funding to education. He said the state has increased funding for education, while other agencies have sustained significant cuts. "It's extremely disappointing that our legislative leaders, the very people who created the fiscal crisis we're in, are blaming everyone but themselves," said Oklahoma Education Association President Alicia Priest. "The decisions they to cut taxes year after year and to make little or no effort to reform corporate tax exemptions are why our revenue is down nearly \$2 billion over the last three years. Any funding increase education has received over the last few years has been more than offset by an increase of 40,000 new students moving into the state." Barbara Hoberock 405-528-2465 barbara.hoberock@tulsaworld.com Be the first to know Get local news delivered to your inbox! Sign up! * I understand and agree that registration on or use of this site constitutes agreement to its user agreement and privacy policy.