



Oklahoma State Auditor & Inspector

News Release

For Immediate Release

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State Auditor Proposes Simpler Solution to Teacher, State Employee Raises

OKLAHOMA CITY – Oklahoma State Auditor Gary Jones is proposing a compromise to break the budget stalemate in the state Legislature that is preventing passage of increased revenue to fund both a teacher pay raise and a raise for state employees who haven't received a salary increase in many years.

“Instead of the one-size fits all, sweeping revenue bill that failed on Monday, I'm proposing a simpler measure that I hope both sides can agree to,” said Jones.

The proposal calls for an increase in the Oil & Gas Gross Production Tax to five percent (5%), a tax on cigarettes and little cigars of 75 cents, and an increase to consumers at the pump of three cents for gasoline and six cents for diesel.

“This proposal will generate approximately \$448 million in revenue and is sufficient to fund a \$5,000 pay raise for teachers and raises for state employees,” said Jones. “To make this happen, both sides are being asked to give a little.”

Here's the breakdown:

5% gross production tax for first 36 months	\$200,000,000
\$0.75 tax on cigarettes and little cigars	\$135,000,000
\$.03 tax increase on gasoline/ \$.06 on diesel	<u>\$113,000,000</u>
Total new revenue	\$448,000,000

The items included in this proposal are items that require 75% majority vote. Other issues that may require 50% plus one are not addressed.

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