

STATE BOARD OF EQUALIZATION
Regular Meeting
February 22, 2022, 10:00 AM
Governor's Conference Room
Second Floor – State Capitol Building
2300 North Lincoln Blvd., Oklahoma City, OK

MINUTES

The State Board of Equalization met on February 22, 2022 at 10:00 AM in the Governor's Conference Room on the second floor of the State Capitol building. The members were notified by e-mail.

Members present were:

Governor J. Kevin Stitt
Lt. Governor Matt Pinnell
Cindy Byrd, State Auditor and Inspector
Joy Hofmeister, Superintendent of Public Instruction
John O'Connor, Attorney General
Randy McDaniel, State Treasurer
Blayne Arthur, Chairman of the Board of Agriculture

Guests who took part in discussion:

John Gilbert, Budget and Revenue Analyst, Office of Management and Enterprise Services

Agenda Item #1 – Call to Order

Governor Stitt called the meeting to order.

Agenda Item #2 – Roll Call and announcement of quorum

The roll was called to establish a quorum.

Agenda Item #3 – Announcement of filing of regular meeting notice and posting of the agenda in accordance with the Open Meeting Act

Agenda Item #4 – Disposition of December 27, 2021 minutes

MR. MCDANIEL MOVED TO ACCEPT THE MINUTES AS PRESENTED. Ms. Arthur seconded the motion. Roll call was taken and all members present voted "aye". Motion carried

Agenda Item #5 – Discussion and possible action and certification of limit on growth of appropriations for fiscal year ending June 30, 2023

John Gilbert made a presentation regarding certification. The Constitution requires a certification of maximum appropriations for the fiscal year 2023.

LT. GOVERNOR PINNELL MOVED THAT THE LIMIT ON APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 2023 BE SET AT \$9,382,867,235. Mr. O'Connor seconded the motion. Roll call was taken and all members present voted "aye". Motion carried.

Agenda Item #6 – Discussion and possible action as to whether expenditures from the ROADS Fund are used to "enhance or supplant" state funding for the Department of Transportation as required by 69 O.S. § 1521.

MR. MCDANIEL MOVED THE BOARD FINDS THE ROADS FUND WAS USED TO ENHANCE TRANSPORTATION FUNDING FOR FY2022. Mr. O'Connor seconded the motion. Roll call was taken and all members present voted "aye". Motion carried

Agenda Item #7 – Report from the Office of Management and Enterprise Services and possible action regarding appropriations from the Oklahoma Education Lottery Trust Fund as required by Article X § 41 of the Oklahoma Constitution and Title 3A O.S., § 713.

MS. HOFMEISTER MOVED THE BOARD FINDS THAT APPROPRIATIONS FROM THE OKLAHOMA EDUCATION LOTTERY TRUST FUND ENHANCED EDUCATION FUNDING IN FY2022. Mr. O'Connor seconded the motion. Roll call was taken and all members present voted "aye". Motion carried

Agenda Item #8 - Report from the Office of Management and Enterprise Services and possible action regarding certification of the following, pursuant to 62 O.S. 2016 § 34.103:

A.1. For the revenue derived from the tax levies on oil pursuant to Section 1001 of Title 68...the average annual amount of actual revenue apportioned to the General Revenue Fund for the immediately preceding five (5) complete fiscal years.

MR. O'CONNOR MOVED TO CERTIFY THE 5-YEAR AVERAGE OF ACTUAL ANNUAL REVENUE APPORTIONED TO THE GENERAL REVENUE FUND FROM THE TAX ON OIL PURSUANT TO § 1001 OF TITLE 68 IS \$184,264,557. Mr. McDaniel seconded the motion. Roll call was taken and all members present voted "aye". Motion carried

A.2. For the revenue derived from the tax levied on natural gas pursuant to Section 1001 of Title 68...the average annual amount of actual revenue apportioned to the General Revenue Fund for the previous five (5) years.

MR. O'CONNOR MOVED TO CERTIFY THE 5-YEAR AVERAGE OF ACTUAL ANNUAL REVENUE APPORTIONED TO THE GENERAL REVENUE FUND FROM THE TAX ON NATURAL GAS PURSUANT TO § 1001 OF TITLE 68 IS \$240,760,051. Lt. Governor Pinnell seconded the motion. Roll call was taken and all members present voted "aye". Motion carried

A.3. For the revenue derived from the corporate income tax levied pursuant to Section 2355 of Title 68...the average annual amount of actual revenue apportioned to the General Revenue Fund for the previous five (5) fiscal years.

MR. O’CONNOR MOVED TO CERTIFY THE 5-YEAR AVERAGE OF ACTUAL ANNUAL REVENUE APPORTIONED TO THE GENERAL REVENUE FUND FROM THE TAX ON CORPORATE INCOME TAX PURSUANT TO § 2355 OF TITLE 68 IS \$251,151,273. Ms. Hofmeister seconded the motion. Roll call was taken and all members present voted “aye”. Motion carried

Agenda Item #9 –Report from the Office of Management and Enterprise Services and possible action pursuant to O.S. 68 §2355.1B, regarding determination of a new baseline of apportionments to the Oklahoma Teachers Retirement System from the taxes levied pursuant to Sections 1353, 1403 and 2352 of O.S. 68 if it differs from the original baseline determination; and, if a new baseline is determined, five-year average apportionment amounts attributable to each revenue source.

A.1) LT. GOVERNOR PINNELL MOVED THAT SINCE THE NEW 5-YEAR AVERAGE APPORTIONMENTS TO THE OKLAHOMA TEACHERS’ RETIREMENT SYSTEM REVOLVING FUND FROM INCOME TAXES, SALES TAXES AND USE TAXES IS GREATER THAN THE PREVIOUSLY DETERMINED ORIGINAL BASELINE, THE NEW BASELINE FOR SUCH APPORTIONMENTS IN FISCAL YEAR 2023 SHALL BE \$304,680,874. Ms. Hofmeister seconded the motion. Roll call was taken and all members present voted “aye”. Motion carried

A.2) MR. MCDANIEL MOVED THAT THE INDIVIDUAL, 5-YEAR AVERAGE APPORTIONMENT AMOUNTS FOR EACH REVENUE SOURCE BE SET AT \$155,234,340 FOR PERSONAL INCOME TAX COLLECTIONS; \$15,159,831 FOR CORPORATE INCOME TAX COLLECTIONS; \$118,501,012 FOR SALES TAX COLLECTIONS AND \$15,785,691 FOR USE TAX COLLECTIONS FOR FISCAL YEAR 2023. Mr. O’Connor seconded the motion. Roll call was taken and all members present voted “aye”. Motion carried

Agenda Item #10 – Discussion and possible action to certify the estimate of funds available for appropriation by the legislature for fiscal year ending June 30, 2023.

MR. O’CONNOR MADE A MOTION TO CERTIFY THE FISCAL YEAR 2023 ESTIMATE SUMMATION OF REVENUES FROM CERTIFIED FUNDS OF \$7,742,006,683 AND REVENUES AVAILABLE FOR APPROPRIATION IN THE AMOUNT OF \$7,354,906,349. Ms. Byrd seconded the motion. Roll call was taken and all members present voted “aye”. Motion carried

Agenda Item #11 – New Business – No new business

Agenda Item #12 – Adjournment

MS. ARTHUR MADE A MOTION TO ADJOURN. Mr. McDaniel seconded the motion. Roll call was taken and all members present voted “aye”. Governor Stitt declared the meeting adjourned.