



Friday, May 21, 2010

The House and Senate Leadership along with the Governor, earlier today announced the budget agreement for FY '11 which begins on July 1. Attached is a list of additional revenues that are being raised, accompanied by the [State Agency appropriations summary](#). Going forward, bills will now have to pass both the House and Senate to embody these additional revenue generators and appropriations to the State Agencies. Beyond the list attached, we do not yet know how expenditures or reductions will be broken down within specific agencies.

Find below the article from today's *Oklahoman* with the highlights of the new agreement.

*As we have additional information, we will continue to keep you apprised.
Thanks.....Clayton Taylor - The Taylor Group Inc*

Oklahoma legislators reach \$5.4 billion budget deal

BY MICHAEL MCNUTT Oklahoman 11 Published: May 20, 2010

Common education, CareerTech and higher education receive smaller cuts than other state agencies. Cuts to most state agencies are about 7 percent, much less than the 10 to 12 percent cuts that some agency heads feared.

A deal has been reached on the upcoming fiscal year budget for the state, several lawmakers said today.

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Legislators were briefed behind closed doors today on details of the budget for the fiscal year, which begins July 1.

It's expected Republican legislative leaders and the Democratic governor will release details of the \$5.4 billion budget later today.

The budget deal includes a moratorium on several tax credits, a legislator who was briefed on the document said. It does not contain a hospital provider fee, which House and Senate Democrats insisted be included.

Most of the funding is restored in the upcoming fiscal year for the senior nutrition program, which provides free or low-cost meals to seniors across the state, a legislator said. The program was cut in the current 2010 budget year, and several sites closed.

Gov. Brad Henry, House Speaker Chris Benge, R-Tulsa, and Senate President Pro Tempore Glenn Coffee, R-Oklahoma City, have been involved in confidential budget talks the past few weeks.

A sticky point has been how much of education funding would be cut in the upcoming fiscal year. The governor proposed in his budget at the beginning of this year's session keep cuts to common education at 0.5 percent. Legislative leaders were opting for a higher cut to common education, which makes up about 35 percent of the state's budget, to reduce the amount of cuts other state agencies would have to take.

Several lawmakers and lobbyists said today they heard common education and CareerTech would receive a 2.9 percent cut in the 2011 fiscal year budget. Higher education was to receive a 3.3 percent cut.

Legislative leaders earlier asked state agencies to prepare for budget cuts of 7.5 to 12 percent for this fiscal year.

Most state agencies were cut 7.5 percent earlier this fiscal year on top of earlier cuts when state revenue came in below estimates. Legislators and the governor reached an agreement earlier this session to restore funding to common education so its cut would be 3 percent. Supplemental funds were approved for higher education to put its cuts for the 2010 fiscal year at 3.1 percent.

Legislators have about \$1.2 billion less to spend this year compared with a year ago. Available cash reserves reduce the budget hole to about \$600 million.

The budget deal was reached Wednesday night, said Senate Democratic leader Charles Laster of Shawnee.