

State Board of Equalization



Proposed FY 2027 Revenue Certification

Friday, Dec. 19, 2025



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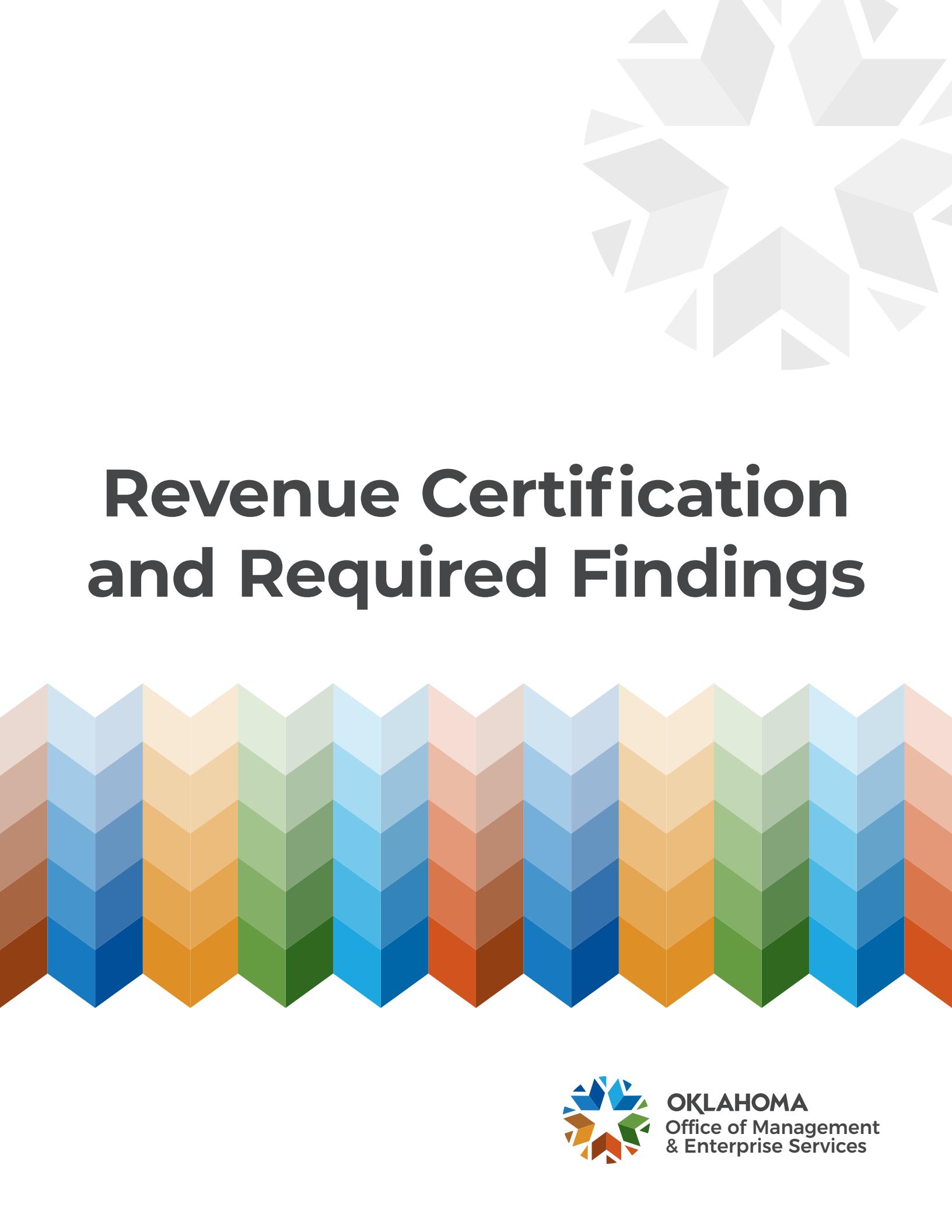
OKLAHOMA
Office of Management
& Enterprise Services

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Purpose of December BOE Meeting

Certify revenues accrued in FY 2025 and certify amounts available for appropriation for FY 2027.

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Revenue Certification and Required Findings

CERTIFICATION OF PRIOR YEAR COLLECTIONS
SCHEDULE 1

	FY 2025 ESTIMATE Jun 2024	FY 2025 ACTUAL Dec 2025	DIFFERENCE (\$\$)	DIFFERENCE (%)
General Revenue Fund				
Alcohol Beverage Tax	\$42,688,000	\$46,073,033	\$3,385,033	7.9%
Mixed Beverage Receipts Tax	\$108,364,000	\$112,467,875	\$4,103,875	3.8%
Cigarette Tax	\$36,358,902	\$35,088,483	(\$1,270,420)	(3.5%)
Tobacco Products Tax	\$11,483,000	\$33,627,564	\$22,144,564	192.8%
Franchise Tax	\$2,828,000	\$25,330,336	\$22,502,336	795.7%
Gross Production Tax-Gas	\$368,515,000	\$336,419,136	(\$32,095,864)	(8.7%)
Gross Production Tax-Oil	\$373,308,000	\$356,587,558	(\$16,720,442)	(4.5%)
Income Tax-Individual	\$3,291,043,735	\$3,518,714,946 ¹	\$227,671,211	6.9%
Income Tax-Corporate	\$443,833,782	\$481,655,374 ²	\$37,821,592	8.5%
Insurance Premium Tax	\$114,135,018	\$158,594,514	\$44,459,496	39.0%
Motor Vehicle Taxes	\$30,938,000	\$50,442,125	\$19,504,125	63.0%
Sales Tax	\$2,478,086,000	\$2,296,300,534	(\$181,785,466)	(7.3%)
Use Tax	\$566,572,912	\$541,472,159	(\$25,100,753)	(4.4%)
Interest & Investments (State Treasurer)	\$350,000,000	\$450,430,711	\$100,430,711	28.7%
Other OTC (see Appendix 3)	\$51,703,328	\$62,263,232	\$10,559,904	20.4%
Collections by Other Agencies (see Appendix 3)	<u>\$250,849,381</u>	<u>\$238,075,544</u>	<u>(\$12,773,837)</u>	<u>(5.1%)</u>
General Revenue Totals	<u>\$8,520,707,059</u>	<u>\$8,743,543,124</u>	<u>\$222,836,065</u>	<u>2.6%</u>
Reserve Fund Statutory Deposits	<u>\$0 ²</u>	<u>\$0 ²</u>	<u>\$0</u>	<u>N/A</u>
Transfers & Lapses	<u>\$0</u>	<u>\$1,872,849</u>	<u>\$1,872,849</u>	<u>N/A</u>
TOTAL GENERAL REVENUE	<u>\$8,520,707,059</u>	<u>\$8,745,415,972</u>	<u>\$224,708,913 ⁴</u>	<u>2.6%</u>
State Certified Funds				
C.L.E.E.T.	\$2,476,909	\$2,512,608	\$35,699	1.4%
COMM of LAND OFFICE	\$12,088,720	\$12,578,405	\$489,685	4.1%
MINERAL LEASING	\$4,750,000	\$4,872,106	\$122,106	2.6%
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000 ³	\$73,338,219 ³	\$8,338,219	12.8%
PUBLIC BUILDING	\$2,392,518	\$3,550,893	\$1,158,375	48.4%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,140,300	\$1,568,246	\$427,946	37.5%
ALCOHOLIC BEVERAGE CONTROL FUND	\$14,500,000	\$13,466,407	(\$1,033,593)	(7.1%)
OK PENSION IMPROVEMENT REVOLVING FUND	\$248,780	\$106,290	(\$142,490)	(57.3%)
STATE PUBLIC SAFETY FUND	\$24,500,000	\$25,388,938	\$888,938	3.6%
HEALTH CARE ENHANCEMENT FUND	<u>\$123,610,000</u>	<u>\$115,328,147</u>	<u>(\$8,281,853)</u>	<u>(6.7%)</u>
GRAND TOTAL STATE FUNDS	<u>\$8,771,414,286</u>	<u>\$8,998,126,232</u>	<u>\$226,711,946</u>	<u>2.6%</u>
Federal Certified Funds				
⁵ STATEWIDE RECOVERY FUND	\$101,470,889	\$141,991,609	\$40,520,720	39.9%
ARPA ADMINISTRATIVE COSTS FUND	<u>\$2,297,068</u>	<u>\$2,297,068</u>	<u>\$0</u>	<u>0.0%</u>
GRAND TOTAL FEDERAL FUNDS	<u>\$103,767,957</u>	<u>\$144,288,677</u>	<u>\$40,520,720</u>	<u>39.0%</u>

Agenda Item 5

The reported total amount of revenue which accrued in the preceding fiscal year to the General Revenue Fund was **\$8,745,415,972**. The total to all state Certified Funds was **\$8,998,126,232**. The total amount of federal Certified Funds was **\$144,288,677**.

¹ \$30 million to fund the Filmed in Oklahoma Act per Title 68, Section 3634; \$8 million to fund the Film Enhancement Rebate Program per Title 68, Section 3624; \$67.7 million to fund the Higher Learning Access Act per Title 62, Section 34.87; and \$252.6 million in transfers to the ROADS Fund (Schedule 7) have been apportioned from Personal Income Tax.

² Pursuant to Title 62, Section 34, \$23,357,992 in deposits to the Revenue Stabilization Fund were apportioned from Corporate Income Tax (Feb 2024 BOE Packet, Schedule 4).

³ Pursuant to Title 3A, Section 713, any amount collected above \$65 million is transferred to the Teacher Empowerment Fund. Estimates certified at \$65 million to avoid unauthorized appropriations.

⁴ The Constitutional Reserve Fund has met its maximum cap based on FY 2024 collections pursuant to Article X, Section 23 of the Oklahoma Constitution. It currently holds a balance of \$1,327,267,738. Surplus FY 2025 revenues are reflected in General Revenue Cash on Appendix 1 and Appendix 6.

⁵ Statewide Recovery Fund includes total ARPA funds and interest received after all administrative expenses are paid and appropriations made. Federal funds are certified for appropriation at the full amount of the estimate and not subject to the 95% availability rule as directed by Article X, Section 23 of the Oklahoma Constitution.

STATUTORILY REQUIRED FINDINGS SCHEDULE 2

Agenda Item 6: Cash Flow Reserve Fund Finding

Pursuant to Title 62, Section 34.54, as amended by HB 3206 in the 2016 legislative session, OMES is required to analyze and submit to the State BOE the amount of monies remaining in the General Revenue Cash-flow Reserve Fund that are not necessary for current year cash-flow needs and are available for legislative appropriation.

Finding: Based on December's FY 2026 projections, **\$70 million** will be available for legislative appropriation.

Agenda Item 7: OHLAP Funding

In compliance with Section 34.87 of Title 62 of the Oklahoma Statutes, the State Regents for Higher Education adopts a funding estimate each year for the needs of the Oklahoma's Promise scholarship program with a portion coming from the General Revenue Fund and a portion coming from the program's trust fund.

Finding: State Regents for Higher Education has adopted an estimate of \$88.2 million for the FY 2027 revenue needs of Oklahoma's Promise scholarship program and further recommends **\$80 million** of the revenue needs be allocated from the General Revenue Fund for FY 2027 to fund awards allowed pursuant to the Oklahoma Higher Learning Access Act.

The amount of money allocated from General Revenue was \$70 million in FY 2026 and \$71.8 million in FY 2025. FY 2025 allocation amounts were subtracted from Income Tax-Individual collections (Schedule 1). OHLAP allocations are reflected as transfers from General Revenue in FY 2027 estimated collection (Schedule 3) and FY 2026 projected collections (Appendix 2).

REVENUE CERTIFICATION PROPOSALS FOR FY 2027
SCHEDULE 3

	PROPOSED COLLECTION	PROPOSED AUTHORITY
	FY 2027	FY 2027
	ESTIMATE	95% ESTIMATE
	Dec 2025	Dec 2025
General Revenue Fund		
Alcohol Beverage Tax	\$47,783,000	\$45,393,850
Mixed Beverage Receipts Tax	\$120,893,000	\$114,848,350
Cigarette Tax	\$35,653,069	\$33,870,415
Tobacco Products Tax	\$31,412,694	\$29,842,060
Franchise Tax	\$1,151,000	\$1,093,450
Gross Production Tax-Gas	\$455,294,000	\$432,529,300
Gross Production Tax-Oil	\$205,935,000	\$195,638,250
Income Tax-Individual	\$3,421,174,078 ¹	\$3,250,115,374 ¹
Income Tax-Corporate	\$462,986,288	\$439,836,973
Insurance Premium Tax	\$142,735,063	\$135,598,310
Motor Vehicle Taxes	\$50,608,000	\$48,077,600
Sales Tax	\$2,370,460,738	\$2,251,937,701
Use Tax	\$602,257,661	\$572,144,778
Interest & Investments (State Treasurer)	\$405,000,000	\$384,750,000
Other OTC (see Appendix 3)	\$56,170,775	\$53,362,236
Collections by Other Agencies (see Appendix 3)	<u>\$223,208,103</u>	<u>\$212,047,698</u>
Revenue Subtotal	\$8,632,722,468	\$8,201,086,344
OHLAP Transfer	<u>(\$80,000,000)</u>	<u>(\$80,000,000)</u>
TOTAL GENERAL REVENUE	\$8,552,722,468	\$8,121,086,344
 State Certified Funds		
C.L.E.E.T.	\$2,352,560	\$2,234,932
COMMISSIONERS OF THE LAND OFFICE	\$12,315,403	\$11,699,633
MINERAL LEASING	\$5,000,000	\$4,750,000
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000	\$61,750,000
PUBLIC BUILDING	\$2,575,600	\$2,446,820
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,110,285	\$1,054,771
ALCOHOLIC BEVERAGE CONTROL FUND	\$13,147,000	\$12,489,650
OKLAHOMA PENSION IMPROVEMENT REVOLVING FUND	\$246,978	\$234,629
STATE PUBLIC SAFETY FUND	\$25,400,000	\$24,130,000
HEALTH CARE ENHANCEMENT FUND	<u>\$111,474,000</u>	<u>\$105,900,300</u>
GRAND TOTAL STATE FUNDS	\$8,791,344,294	\$8,347,777,079
 Federal Certified Funds		
STATEWIDE RECOVERY FUND	\$184,221,701	\$184,221,701 ²
ARPA ADMINISTRATIVE COSTS FUND	<u>\$840,752</u>	<u>\$840,752</u>
GRAND TOTAL FEDERAL FUNDS	\$185,062,453	\$185,062,453

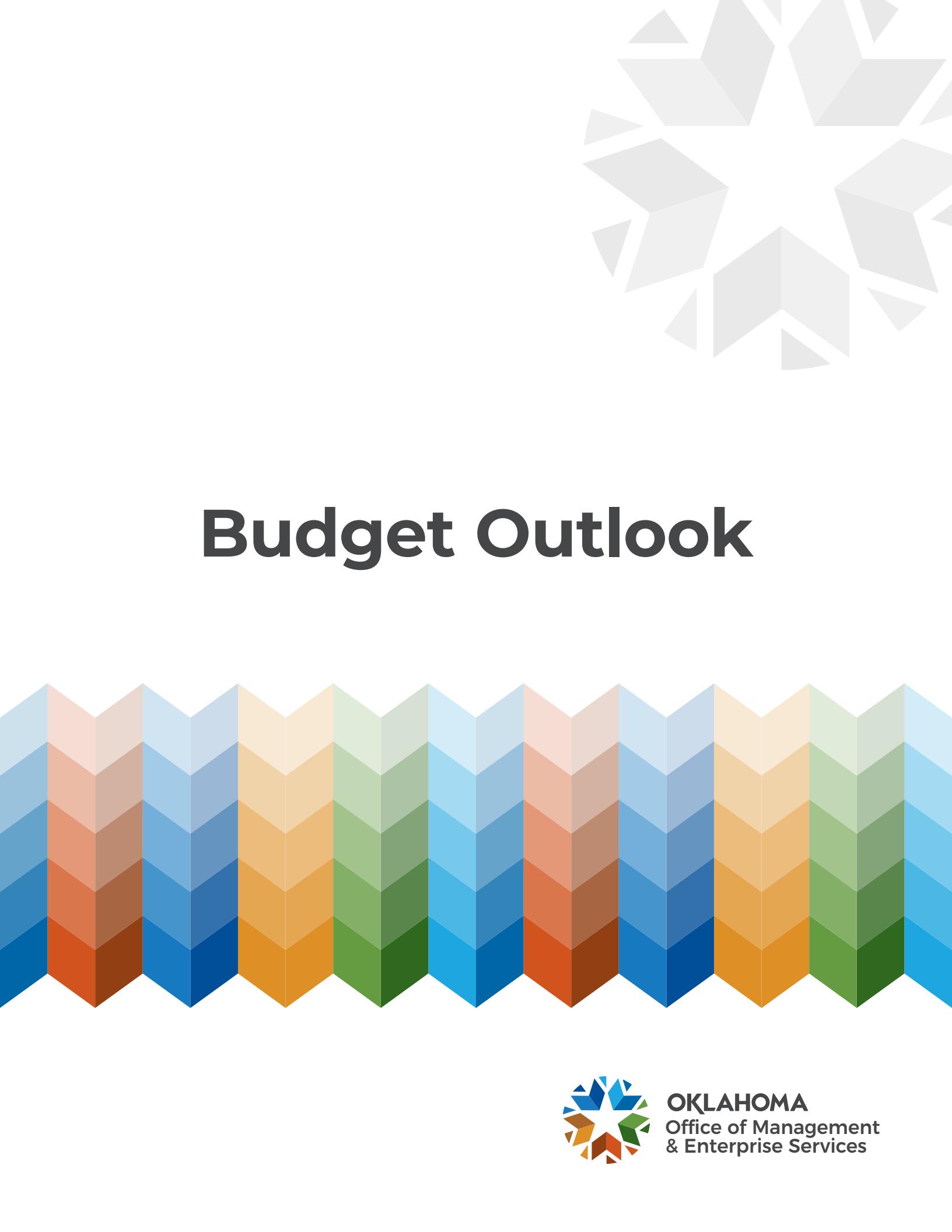
Agenda Item 8

The estimate of total certified state revenues is **\$8,791,344,294** and the certified state revenue available for appropriation is **\$8,347,777,079**.

The estimate of total certified federal revenue available for appropriation is **\$185,062,453**.

¹ \$30 million to fund the Filmed in Oklahoma Act per Title 68, Section 3634; \$8 million to fund the Film Enhancement Rebate Program per Title 68, Section 3624; and \$265.0 million in transfers to the ROADS Fund (Appendix 5) have been apportioned from Personal Income Tax.

² Statewide Recovery Fund includes total ARPA funds and interest received after all administrative expenses are paid and appropriations made. Federal funds are certified for appropriation at the full amount of the estimate and not subject to the 95% availability rule as directed by Article X, Section 23 of the Oklahoma Constitution.



Budget Outlook



OKLAHOMA
Office of Management
& Enterprise Services

BUDGET OUTLOOK
SCHEDULE 4

	FY 2026 Jun 2025	FY 2026 Jun 2025	PROPOSED FY 2027 Dec 2025	CHANGE IN FY 2027 AUTHORITY FROM FY 2026 AUTHORITY (\$\$)
	EXPENDITURE AUTHORITY	LEGISLATIVE APPROPRIATIONS	EXPENDITURE AUTHORITY	
CERTIFIED FUNDS (95% of Estimate)*				
General Revenue Fund	\$7,858,465,862	\$7,754,273,650	\$8,121,086,344	\$262,620,483
C.L.E.E.T. Fund	\$2,472,205	\$2,472,205	\$2,234,932	(\$237,273)
Mineral Leasing Fund	\$4,940,000	\$4,940,000	\$4,750,000	(\$190,000)
OHSA Fund	\$1,083,285	\$1,083,285	\$1,054,771	(\$28,514)
Public Building Fund	\$1,596,327	\$1,596,327	\$2,446,820	\$850,493
Commissioners of the Land Office Fund	\$11,837,000	\$6,703,421	\$11,699,633	(\$137,367)
OK Education Lottery Trust Fund	\$61,750,000	\$61,750,000	\$61,750,000	\$0
State Public Safety Fund	\$22,800,000	\$22,800,000	\$24,130,000	\$1,330,000
Health Care Enhancement Fund	\$98,173,950	\$98,173,950	\$105,900,300	\$7,726,350
Alcoholic Beverage Control Fund	\$12,600,781	\$12,600,781	\$12,489,650	(\$111,131)
OK Pension Improvement Rev Fund	\$113,897	\$0	\$234,629	\$120,732
TOTAL CERTIFIED FUNDS	\$8,075,833,308	\$7,966,393,619	\$8,347,777,079	\$271,943,772
AUTHORIZED FUNDS (100% of Estimate)				
ERRF (1017) Fund	\$1,049,164,216	\$1,274,188,466	\$1,091,849,950	\$42,685,734
Common Ed. Technology Fund (GP – Oil)	\$47,025,701	\$47,000,000	\$47,000,000	(\$25,701)
OK Student Aid Fund (GP – Oil)	\$47,025,701	\$47,000,000	\$47,000,000	(\$25,701)
Higher Ed. Capital Fund (GP – Oil)	\$47,025,701	\$47,000,000	\$47,000,000	(\$25,701)
Tobacco Fund	\$10,000,000	\$10,000,000	\$20,000,000	\$10,000,000
Judicial Revolving Fund	\$15,537,314	\$15,537,314	\$13,420,617	(\$2,116,697)
Transportation Fund	\$204,509,528	\$204,509,528	\$196,200,281	(\$8,309,247)
ROADS Fund	\$610,000,000	\$610,000,000	\$610,000,000	\$0
Teachers' Retirement System Revolving Fund	\$433,922,369	\$433,935,232	\$447,922,178	\$13,999,809
OHLAP Fund	\$70,000,000	\$70,000,000	\$80,000,000	\$10,000,000
TOTAL AUTHORIZED FUNDS	\$2,534,210,530	\$2,759,170,540	\$2,600,393,025	\$66,182,495
TOTAL RECURRING REVENUES	\$10,610,043,838	\$10,725,564,159	\$10,948,170,104	\$338,126,267
CASH AND ONE-TIME				
SPECIAL CASH FUND APPROPRIATIONS	\$187,000,000	\$187,000,000	\$0	(\$187,000,000)
CASH FLOW RESERVE FUND	\$0	\$0	\$70,000,000	\$70,000,000
CONSTITUTIONAL RESERVE FUND	\$38,077,462	\$38,077,462	\$0	(\$38,077,462)
REVENUE STABILIZATION FUND	\$238,077,462	\$238,077,462	\$0	(\$238,077,462)
CERTIFIED & AUTHORIZED FUND CASH	\$16,573,225	\$15,875,292	\$4,843,066	(\$11,730,158)
PREP FUND	\$20,000,000	\$20,000,000	\$0	(\$20,000,000)
AGENCY REVOLVING FUND AUTHORIZATIONS	\$34,597,531	\$34,597,531	\$0	(\$34,597,531)
ADD'L REV FUND APPROPRIATIONS	\$21,253,658	\$21,253,658	\$0	(\$21,253,658)
GENERAL REVENUE SURPLUS	\$1,365,574,730	\$1,352,241,663	\$835,505,333	(\$530,069,397)
TOTAL CASH	\$1,921,154,068	\$1,907,123,069	\$910,348,399	(\$1,010,805,668)
TOTAL STATE FUNDS	\$12,531,197,906	\$12,632,687,227	\$11,858,518,504	(\$672,679,402)
FEDERAL CERTIFIED (100% of Estimate)				
STATEWIDE RECOVERY FUND	\$205,770,798	\$34,178,258	\$184,221,701	(\$21,549,097)
ARPA ADMINISTRATIVE COST FUND	\$3,506,932	\$2,666,180	\$3,506,932	\$0
TOTAL AUTHORIZED BUDGET	\$12,740,475,635	\$12,669,531,665	\$12,046,247,137	(\$694,228,498)

* See Appendix 2 for the full FY 2026 estimate of Certified Funds.



Appendices

BUDGET DETAIL BY FUND (Non-Restricted Funds)
APPENDIX 1

	FY 2026 EXPENDITURE AUTHORITY 2025 SESSION Jun 2025	FY 2026 LEGISLATIVE APPROPRIATIONS 2025 SESSION Jun 2025	PROPOSED FY 2027 EXPENDITURE AUTHORITY 2026 SESSION Dec 2025
NON-RESTRICTED FUNDS			
GENERAL REVENUE FUND			
Certified	\$7,858,465,862	\$7,754,273,650	\$8,121,086,344
Prior Year Certified	\$42,485,140	\$29,152,073	\$104,192,212
Cash	<u>\$1,323,089,590</u>	<u>\$1,323,089,590</u>	<u>\$731,313,122</u>
TOTAL	\$9,224,040,592	\$9,106,515,313	\$8,956,591,678
C.L.E.E.T. FUND			
Certified	\$2,472,205	\$2,472,205	\$2,234,932
Cash	<u>\$454,675</u>	<u>\$454,675</u>	<u>\$187,397</u>
TOTAL	\$2,926,880	\$2,926,880	\$2,422,329
MINERAL LEASING FUND			
Certified	\$4,940,000	\$4,940,000	\$4,750,000
Cash	<u>\$344,531</u>	<u>\$344,531</u>	<u>\$359,606</u>
TOTAL	\$5,284,531	\$5,284,531	\$5,109,606
OCCUPATIONAL HEALTH AND SAFETY FUND			
Certified	\$1,083,285	\$1,083,285	\$1,054,771
Cash	<u>\$140,592</u>	<u>\$140,592</u>	<u>\$484,961</u>
TOTAL	\$1,223,877	\$1,223,877	\$1,539,732
PUBLIC BUILDING FUND			
Certified	\$1,596,327	\$1,596,327	\$2,446,820
Cash	<u>\$2,205,551</u>	<u>\$2,205,551</u>	<u>\$1,048,051</u>
TOTAL	\$3,801,877	\$3,801,877	\$3,494,871
SPECIAL CASH FUND			
Cash	<u>\$187,000,000</u> ¹	<u>\$187,000,000</u> ¹	<u>\$0</u>
TOTAL	\$187,000,000	\$187,000,000	\$0
STATEWIDE RECOVERY FUND			
Certified	<u>\$205,770,798</u>	<u>\$34,178,258</u> ²	<u>\$184,221,701</u>
TOTAL	\$205,770,798	\$34,178,258	\$184,221,701
ARPA ADMINISTRATIVE COSTS FUND			
Certified	<u>\$3,506,932</u>	<u>\$2,666,180</u>	<u>\$3,506,932</u>
TOTAL	\$3,506,932	\$2,666,180	\$3,506,932
SUBTOTAL NON-RESTRICTED FUNDS	<u>\$9,633,555,486</u>	<u>\$9,343,596,916</u>	<u>\$9,156,886,848</u>

¹ Special Cash Fund includes cash transfers of \$90 million from the Unclaimed Property Fund; \$8.5 million from the Insurance Commissioner Revolving Fund; \$8.5 million from Secretary of the State Revolving Fund; \$55 million from the Medical Marijuana Tax Fund; and \$25 million from the OMMA Revolving Fund. A \$38,077,462 transfer from the Constitutional Reserve Fund is not included in above total to avoid double counting (see Appendix 1 Continued).

² This total does not include \$66.5 million that was reappropriated to the Department of Mental Health and Substance Abuse from the agency's initial \$87 million appropriation pursuant to HB 1178.

(Continued)

BUDGET DETAIL BY FUND (Restricted Funds)
APPENDIX 1 (Continued)

	FY 2026 EXPENDITURE AUTHORITY 2025 SESSION Jun 2025	FY 2026 LEGISLATIVE APPROPRIATIONS 2025 SESSION Jun 2025	PROPOSED FY 2027 EXPENDITURE AUTHORITY 2026 SESSION Dec 2025
RESTRICTED FUNDS			
COMMISSIONERS OF THE LAND OFFICE FUND			
Certified	\$11,837,000	\$6,703,421	\$11,699,633
Cash	\$612,687	\$0	\$14
TOTAL	\$12,449,687	\$6,703,421	\$11,699,647
OK EDUCATION LOTTERY TRUST FUND			
Certified	\$61,750,000	\$61,750,000	\$61,750,000
Cash	\$3,250,000	\$3,250,000	\$0
TOTAL	\$65,000,000	\$65,000,000	\$61,750,000
STATE PUBLIC SAFETY FUND			
Certified	\$22,800,000	\$22,800,000	\$24,130,000
Cash	\$9,479,944	\$9,479,944	\$2,113,938
TOTAL	\$32,279,944	\$32,279,944	\$26,243,938
HEALTH CARE ENHANCEMENT FUND			
Certified	\$98,173,950	\$98,173,950	\$105,900,300
Cash	\$0	\$0	\$0
TOTAL	\$98,173,950	\$98,173,950	\$105,900,300
ALCOHOLIC BEVERAGE CONTROL FUND			
Certified	\$12,600,781	\$12,600,781	\$12,489,650
Cash	\$0	\$0	\$0
TOTAL	\$12,600,781	\$12,600,781	\$12,489,650
OK PENSION IMPROVEMENT REV FUND			
Certified	\$113,897	\$0	\$234,629
Cash	\$85,245	\$0	\$649,100
TOTAL	\$199,142	\$0	\$883,729
SUBTOTAL RESTRICTED FUNDS	\$220,703,505	\$214,758,096	\$218,967,264
TOTAL-RESTRICTED & NON-RESTRICTED	\$9,854,258,991	\$9,558,355,012	\$9,375,854,112
COMMON ED. TECH FUND			
Revolving Fund Estimate	\$47,025,701	\$47,000,000	\$47,000,000
OK. STUDENT AID FUND			
Revolving Fund Estimate	\$47,025,701	\$47,000,000	\$47,000,000
HIGHER ED. CAPITAL FUND			
Revolving Fund Estimate	\$47,025,701	\$47,000,000	\$47,000,000
ERRF (1017) FUND			
Revolving Fund Estimate	\$1,049,164,216	\$1,274,188,466	\$1,091,849,950
TOBACCO SETTLEMENT FUND			
Revolving Fund Estimate	\$10,000,000	\$10,000,000	\$20,000,000
STATE JUDICIAL REVOLVING FUND			
Revolving Fund Estimate	\$15,537,314	\$15,537,314	\$13,420,617
STATE TRANSPORTATION FUND			
Revolving Fund Estimate	\$204,509,528	\$204,509,528	\$196,200,281
ROADS FUND			
Revolving Fund Estimate	\$610,000,000	\$610,000,000	\$610,000,000
TEACHERS' RETIREMENT SYSTEM REVOLVING FUND			
Revolving Fund Estimate	\$433,922,369	\$433,935,232	\$447,922,178
OHLP FUND			
Revolving Fund Estimate	\$70,000,000	\$70,000,000	\$80,000,000
TOTAL	\$12,388,469,521	\$12,317,525,552	\$11,976,247,137
**ADDITIONAL BUDGETARY AUTHORIZATIONS:			
Cash Flow Reserve Fund	\$0	\$0	\$70,000,000
Constitutional Reserve Fund	\$38,077,462	\$38,077,462	\$0
Revenue Stabilization Fund	\$238,077,462	\$238,077,462	\$0
PREP Fund	\$20,000,000	\$20,000,000	\$0
Agency Revolving Fund Authorizations	\$34,597,531	\$34,597,531	\$0
Additional Revolving Fund Appropriations	\$21,253,658	\$21,253,658	\$0
TOTAL AUTHORIZED BUDGET	\$12,740,475,634	\$12,669,531,665	\$12,046,247,137

^{**} Additional Budgetary Authorizations are those amounts, authorized by law, which do not affect the Certified Funds or specific Authorized Funds reported for board action. This section is provided for informational purposes and final budgetary comparison.

¹ Transfer to the Special Cash Fund pursuant to HB 2766 (see Appendix 1).

² HB 2766 appropriated \$20 million from the PREP Fund to Regents for Higher Education for institutional use. \$58 million appropriated to the PREP Fund in HB 2766 subtracted from GR cash. Not included in total are HB 2792 reappropriations of \$153.9 million in lapsed funds to 10 projects which previously received appropriations from the PREP Fund.

³ HB 2766 appropriates \$34,597,531 to the Oklahoma Health Care Authority from the Rate Preservation Fund.

⁴ HB 2777 appropriates \$21,253,658 from the Opioid Lawsuit Settlement Fund to the Opioid Abatement Revolving Fund..

INFORMATIONAL CERTIFIED FUND COMPARISONS
APPENDIX 2

	FY 2026 ESTIMATE <hr/> Jun 2025	FY 2026 PROJECTION <hr/> Dec 2025	CHANGE IN FY 2026 PROJECTION FROM FY 2026 ESTIMATE	% CHANGE IN FY 2026 PROJECTION FROM FY 2026 ESTIMATE
General Revenue Fund				
Alcohol Beverage Tax	\$47,966,000	\$47,276,000	(\$690,000)	(1.4%)
Mixed Beverage Receipts Tax	\$115,175,000	\$116,261,000	\$1,086,000	0.9%
Cigarette Tax	\$30,931,317	\$35,748,115	\$4,816,798	15.6%
Tobacco Products Tax	\$33,668,227	\$32,268,178	(\$1,400,050)	(4.2%)
Franchise Tax	\$2,894,000	\$1,077,000	(\$1,817,000)	(62.8%)
Gross Production Tax-Gas	\$348,426,000	\$359,360,000	\$10,934,000	3.1%
Gross Production Tax-Oil	\$291,432,000	\$261,574,000	(\$29,858,000)	(10.2%)
Income Tax-Individual	\$3,455,184,681	\$3,401,521,040	(\$53,663,641)	(1.6%)
Income Tax-Corporate	\$466,348,208	\$535,729,523	\$69,381,315	14.9%
Insurance Premium Tax	\$140,569,496	\$142,735,063	\$2,165,567	1.5%
Motor Vehicle Taxes	\$51,564,000	\$49,784,000	(\$1,780,000)	(3.5%)
Sales Tax	\$2,151,559,878 ¹	\$2,309,639,614 ¹	\$158,079,736	7.3%
Use Tax	\$567,720,779	\$564,449,733	(\$3,271,046)	(0.6%)
Interest & Investments (State Treasurer)	\$410,000,000	\$430,000,000	\$20,000,000	4.9%
Other OTC (see Appendix 3)	\$53,552,734	\$54,642,090	\$1,089,356	2.0%
Collections by Other Agencies (see Appendix 3)	\$178,761,218	\$216,719,717	\$37,958,499	21.2%
OHLAP Transfer	(\$70,000,000)	(\$70,000,000.00)	\$0	0.0%
Total General Revenue	\$8,275,753,538 ²	\$8,488,785,072 ²	\$213,031,534	2.6%
State Certified Funds				
C.L.E.E.T.	\$2,602,321	\$2,352,560	(\$249,761)	(9.6%)
COMMISSIONERS OF THE LAND OFFICE	\$12,460,000	\$11,731,049	(\$728,951)	(5.9%)
MINERAL LEASING	\$5,200,000	\$5,200,000	\$0	0.0%
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000	\$65,000,000	\$0	0.0%
PUBLIC BUILDING	\$1,680,344	\$3,005,714	\$1,325,370	78.9%
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,140,300	\$1,272,603	\$132,303	11.6%
ALCOHOLIC BEVERAGE CONTROL FUND	\$13,263,980	\$13,147,000	(\$116,980)	(0.9%)
OK PENSION IMPROVEMENT REVOLVING FUND	\$119,892	\$239,784	\$119,892	100.0%
STATE PUBLIC SAFETY FUND	\$24,000,000	\$26,000,000	\$2,000,000	8.3%
HEALTH CARE ENHANCEMENT FUND	\$103,341,000	\$113,133,000	\$9,792,000	9.5%
GRAND TOTAL STATE FUNDS	\$8,504,561,375	\$8,729,866,782	\$225,305,407	2.6%
Federal Certified Funds				
STATEWIDE RECOVERY FUND	\$205,770,798	\$205,770,798	\$0	0.0%
ARPA ADMINISTRATIVE COSTS FUND	\$3,506,932	\$3,506,932	\$0	0.0%
GRAND TOTAL FEDERAL FUNDS	\$209,277,730	\$209,277,730	\$0	0.0%

¹ Pursuant to Title 68, Section 1353, Subsection B, \$5 million has been apportioned from Sales Tax to the Municipal Road Drilling Activity Revolving Fund.

² No Revenue Stabilization Fund deposits are authorized for FY 2026 (February 2025 BOE Packet, Schedule 4).



INFORMATIONAL CERTIFIED FUND COMPARISONS
APPENDIX 2 (Continued)

	PROPOSED	CHANGE IN	% CHANGE IN
	FY 2026	FY 2027	FY 2027 ESTIMATE
	ESTIMATE	ESTIMATE	FROM
	Jun 2025	Dec 2025	FY 2026 ESTIMATE
General Revenue Fund			
Alcohol Beverage Tax	\$47,966,000	\$47,783,000	(\$183,000)
Mixed Beverage Receipts Tax	\$115,175,000	\$120,893,000	\$5,718,000
Cigarette Tax	\$30,931,317	\$35,653,069	\$4,721,752
Tobacco Products Tax	\$33,668,227	\$31,412,694	(\$2,255,533)
Franchise Tax	\$2,894,000	\$1,151,000	(\$1,743,000)
Gross Production Tax-Gas	\$348,426,000	\$455,294,000	\$106,868,000
Gross Production Tax-Oil	\$291,432,000	\$205,935,000	(\$85,497,000)
Income Tax-Individual	\$3,455,184,681	\$3,421,174,078	(\$34,010,603)
Income Tax-Corporate	\$466,348,208	\$462,986,288	(\$3,361,920)
Insurance Premium Tax	\$140,569,496	\$142,735,063	\$2,165,567
Motor Vehicle Taxes	\$51,564,000	\$50,608,000	(\$956,000)
Sales Tax	\$2,151,559,878	\$2,370,460,738	\$218,900,859
Use Tax	\$567,720,779	\$602,257,661	\$34,536,882
Interest & Investments (State Treasurer)	\$410,000,000	\$405,000,000	(\$5,000,000)
Other OTC (see Appendix 3)	\$53,552,734	\$56,170,775	\$2,618,040
Collections by Other Agencies (see Appendix 3)	\$178,761,218	\$223,208,103	\$44,446,885
OHLAP Transfer	<u>(\$70,000,000)</u>	<u>(\$80,000,000)</u>	<u>(\$10,000,000)</u>
Total General Revenue	\$8,275,753,538	\$8,552,722,468	\$276,968,929
			3.3%
State Certified Funds			
C.L.E.E.T.	\$2,602,321	\$2,352,560	(\$249,761)
COMMISSIONERS OF THE LAND OFFICE	\$12,460,000	\$12,315,403	(\$144,597)
MINERAL LEASING	\$5,200,000	\$5,000,000	(\$200,000)
OK EDUCATION LOTTERY TRUST FUND	\$65,000,000	\$65,000,000	\$0
PUBLIC BUILDING	\$1,680,344	\$2,575,600	\$895,256
SPECIAL OCCUPATIONAL HEALTH & SAFETY	\$1,140,300	\$1,110,285	(\$30,015)
ALCOHOLIC BEVERAGE CONTROL FUND	\$13,263,980	\$13,147,000	(\$116,980)
OK PENSION IMPROVEMENT REVOLVING FUND	\$119,892	\$246,978	\$127,086
STATE PUBLIC SAFETY FUND	\$24,000,000	\$25,400,000	\$1,400,000
HEALTH CARE ENHANCEMENT FUND	<u>\$103,341,000</u>	<u>\$111,474,000</u>	<u>\$8,133,000</u>
GRAND TOTAL STATE FUNDS	\$8,504,561,375	\$8,791,344,294	\$286,782,918
			3.4%
Federal Certified Funds			
STATEWIDE RECOVERY FUND	\$205,770,798	\$184,221,701	(\$21,549,097)
ARPA ADMINISTRATIVE COSTS FUND	<u>\$3,506,932</u>	<u>\$840,752</u>	<u>(\$2,666,180)</u>
GRAND TOTAL FEDERAL FUNDS	\$209,277,730	\$185,062,453	(\$24,215,277)
			(11.6%)

ITEMIZED ESTIMATES OF "OTHER" REVENUES
APPENDIX 3

	FY 2025 ACTUAL Dec 2025	FY 2026 PROJECTED Dec 2025	PROPOSED FY 2027 ESTIMATE Dec 2025
OKLAHOMA TAX COMMISSION:			
Bingo Excise & Charity Games	\$51,210	\$62,000	\$63,000
Tribal Cigarette Compacts	\$10,236,381	\$8,364,000	\$9,891,685
Other OTC	<u>\$51,975,640</u>	<u>\$46,216,090</u>	<u>\$46,216,090</u>
TOTAL OTHER OTC	\$62,263,232	\$54,642,090	\$56,170,775
COLLECTIONS BY OTHER AGENCIES:			
Attorney General	\$0	\$400,000	\$400,000
C.L.E.E.T.	\$230,298	\$248,140	\$248,140
Department of Consumer Credit	\$837,054	\$775,000	\$775,000
District Attorneys Council	\$16,431,836	\$14,316,972	\$12,504,314
Department of Public Safety	\$135,580	\$118,000	\$126,790
Horse Racing Commission	\$3,868,720	\$3,702,950	\$3,702,950
Insurance Department	\$99,286,496	\$89,357,847	\$96,494,600
Department of Labor	\$398,134	\$403,086	\$403,797
Medical Licensure	\$564,425	\$516,683	\$516,683
Nursing Board	\$430,503	\$405,976	\$430,503
OMES	\$4,392,344	\$4,028,797	\$4,028,797
Secretary of State	\$2,523,902	\$2,574,381	\$2,625,867
Department of Securities	\$19,254,992	\$19,296,000	\$19,355,000
Unclaimed Property (State Treasurer)	\$10,000,000	\$10,000,000	\$10,000,000
Tribal Gaming (OMES)	\$26,499,985	\$27,295,885	\$28,115,662
Service Oklahoma	\$23,210,414	\$23,280,000	\$23,480,000
Other	<u>\$30,010,861¹</u>	<u>\$20,000,000</u>	<u>\$20,000,000</u>
TOTAL COLLECTIONS BY OTHER AGENCIES	\$238,075,544	\$216,719,717	\$223,208,103

¹ Includes \$18,881,665 in oversize truck permits and a one-time \$10 million settlement payment from North Texas Municipal Water District.

EDUCATION REFORM ACT - HB 1017
APPENDIX 4

SB 826 of the second regular session of the 45th Legislature amended Section 41.29a of Title 62 to require that the Office of Accountability account for and report monthly revenues which accrue to the Education Reform Revolving Fund. The Education Reform Revolving Fund on June 1, 1996, began receiving revenue attributable to the revenue provisions of HB 1017, rather than these revenues first being apportioned to the General Revenue Fund.

CALCULATIONS

EDUCATION REFORM REVOLVING FUND

Column 1	Column 2	Column 3	Column 4
SOURCE	FY 2025	FY 2026	PROPOSED
	ACTUAL	PROJECTED	FY 2027
	Dec 2025	Dec 2025	ESTIMATE
			Dec 2025
Income Tax-Individual	\$379,070,465	\$369,073,273	\$363,657,110
Income Tax-Corporate	\$107,866,933	\$114,427,665	\$98,890,275
Sales Tax	\$288,872,955	\$290,440,623	\$298,072,449
Use Tax	\$87,976,104	\$91,327,066	\$96,071,199
Cigarette Tax	\$1,613,457	\$1,645,360	\$1,640,661
Tobacco Products Tax	\$717,539	\$713,488	\$698,459
Tribal Gaming	\$194,333,227	\$200,169,824	\$206,181,518
Horse Track Gaming	\$27,894,006	\$26,638,279	\$26,638,279
Special License Plates	\$859	\$0	\$0
TOTAL - 100% OF ESTIMATE	\$1,088,345,545	\$1,094,435,578	\$1,091,849,950

ROADS FUND INFORMATIONAL APPORTIONMENT SUMMARY

APPENDIX 5

Legislative History

HB 2272, passed in the 2008 legislative session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2009, for FY 2010, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$30 million each year until a cap of \$370 million is reached.

Legislated Adjustments to the ROADS Fund

SB 1466, passed in the 2010 legislative session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective July 1, 2011, for FY 2012 and for each fiscal year thereafter, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$35.7 million each year until a cap of \$400 million is reached.

SB 976, passed in the 2011 legislative session, amends Title 69, Section 1521 of the Oklahoma Highway Code. Effective August 26, 2011, for FY 2013, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$41.7 million each year until a cap of \$435 million is reached.

HB 2248, effective July 1, 2012, amends the same title and section. For FY 2014 and all fiscal years until the cap is reached, the Transportation Department will receive the total amount apportioned to the ROADS Fund for the preceding fiscal year plus an additional \$59.7 million. The cap was raised to \$575 million.

HB 1014xx, effective July 1, 2019, directs diesel and gasoline fuel taxes imposed by HB 1010XX and most motor vehicle revenues to the ROADS Fund. Contributions to the ROADS Fund from motor vehicle revenues and fuel taxes replace personal income tax contributions dollar-for-dollar. Offset personal income tax dollars are redirected to GRF.

HB 2743, passed during the 2020 legislative session, apportioned \$180 million in dedicated ROADS Fund revenue to the Education Reform Revolving Fund for FY 2021 and FY 2022.

HB 2895, passed during the 2021 legislative session, restored dedicated revenue back to the ROADS Fund and canceled the ERRF transfer. The cap was raised to \$590 million effective FY 2023.

	FY 2024	FY 2025	FY 2026	PROPOSED
	ACTUAL	ACTUAL	PROJECTION	FY 2027
	Dec 2024	Dec 2025	Dec 2025	ESTIMATE
ROADS Fund Cap	<u>\$590,000,000</u>	<u>\$590,000,000</u>	<u>\$610,000,000</u>	<u>\$610,000,000</u>
	Apportionment from Motor Vehicle Revenues	\$232,114,631	\$220,584,758	\$230,785,000
	Apportionment from Diesel Taxes	\$54,037,497	\$57,741,645	\$57,353,000
	Apportionment from Gasoline Taxes	\$58,769,798	\$59,025,185	\$58,501,000
	ROADS Apportionment from Individual Income Tax	<u>\$245,078,074</u>	<u>\$252,648,412</u>	<u>\$263,361,000</u>
	Tourism & Passenger Rail Rev. Fund Apportionment	\$2,000,000	\$2,000,000	\$2,000,000
	Public Transit Rev. Fund Apportionment	<u>\$3,000,000</u>	<u>\$3,000,000</u>	<u>\$3,000,000</u>
	¹ Total Apportionment from Individual Income Tax	\$250,078,074	\$257,648,412	\$268,361,000
				\$265,041,000

¹ Total apportionment from income tax amounts has been subtracted from the respective individual income tax numbers.

SUMMARY OF RESERVES AND UNSPENT REVENUES
APPENDIX 6

Fund	Amount
Constitutional Reserve Fund (Rainy Day Fund)	\$1,327,267,738
Revenue Stabilization Fund (RSF)	<u>\$448,837,856</u>
Total Reserves (RDF and RSF)	\$1,776,105,594
2025 General Revenue	\$731,313,122
* 2026 General Revenue (Unspent Authority)	<u>\$104,192,212</u>
Total General Revenue Cash	\$835,505,334
FMAP Rate Preservation Fund (Projected Balance)	\$555,294,316
* Education Reform Revolving Fund Cash (1017)	<u>\$544,375,042</u>
Total Restricted Cash	\$1,099,669,358
GRAND TOTAL	\$3,711,280,285

* Projected to accrue at end of FY 2026.

GLOSSARY

APPENDIX 7

Additional Budgetary Authorizations: Those amounts, authorized by law, which do not affect the Certified Funds or specific Authorized Funds reported for board action.

Agency Revolving Funds: Funds are created solely for the agency, and the agency can budget and spend from the funds without annual legislative appropriation.

Authorized Expenditures: Appropriations and spending authorizations made by the Legislature.

Authorized Funds: Funds not certified by the Board of Equalization. For non-certified funds, the Legislature authorizes the expenditure amount from the fund based on total (100%) estimated collections instead of appropriating 95% of total estimated collections. In statute, language specifically states that fund is a continuing fund, not subject to fiscal year limitations and is authorized to be expended by the Legislature.

Cash Flow Reserve Fund: Fund used to enable equal monthly General Revenue Fund disbursements to agencies.

Certified Funds: Funds certified by the Board of Equalization. Certified revenue equals 95% of total estimated collections to each certified fund for the following fiscal year. In statute, language specifically states that fund shall be subject to legislative appropriation.

Constitutional Reserve Fund: Reserve fund available during General Revenue failures.

Estimate: Expected collections for future fiscal year.

Expenditure Authority: Expected collections and cash that the Legislature has the authority to spend.

Fiscal Year (FY): Financial and accounting year beginning July 1 and ending June 30.

Prior Year Certified: Unencumbered collections certified in the prior year.

Projected: Expected collections for current fiscal year based on most recent re-estimates.

Reappropriations: Unspent and expired appropriations to agencies that are reappropriated for agency use.

Revenue Stabilization Fund: Reserve fund established to smooth volatile revenue streams including corporate income tax, gas production tax, and oil production tax.

Special Cash: Disbursement fund used to move appropriated cash from agency funds for appropriation to other agency funds.

Unencumbered/Unspent: Expected collections and cash the Legislature has the authority to spend but has not.

CONSTITUTIONAL REFERENCE AND PURPOSE OF BOE

APPENDIX 8

Purpose of BOE

The Oklahoma State Constitution (Article 10, Section 23) designates the Board of Equalization as the body responsible for carrying out the state's balanced budget procedures. The board certifies revenue collections for prior years, sets expenditure limits for the governor and the Legislature based on current-year revenue estimates, and determines overall limit on expenditure growth from year-to-year. The board is comprised of the governor, lieutenant governor, treasurer, auditor and inspector, attorney general, superintendent of public instruction, and secretary of agriculture.

Pursuant to Section 23, the Board of Equalization must meet at least two times each fiscal year:

- “no more than 45 days but no less than 35 days before the start of the legislative session.”
- “within five days after the monthly apportionment in February of each year.”

The board can only meet again and adjust revenue estimates if the Legislature and governor enact laws during regular or special session that reduce or increase revenue certified by the board; transfer cash from one fund to another; or establish a new certified, appropriated fund. In practice, the board meets in June to incorporate legislative changes enacted during the legislative session and to re-certify revenue available for the coming fiscal year.

The Office of Management & Enterprise Services (OMES) compiles revenue projections from revenue-collecting agencies, analyzes the information, and presents the information to the board for its consideration and approval. Projections for the General Revenue Fund are estimated by the Tax Commission staff utilizing an economic model developed by Oklahoma State University, additional resources provided by Oklahoma-based research firm RegionTrack, and other national forecasts specific to the energy sector. Revenue estimates presented to the board are based on current and prior year collection trends, economic forecasts, federal and state tax law changes, and other foreseeable factors. The amounts proposed as available for appropriation are calculated as 95% of the summation of the itemized estimate of revenue for the respective funds, except for federal funds which shall be certified for the full amount of the estimate.

Revenue certified and authorized at the December Board of Equalization meeting serves as the basis for the Governor's Executive Budget. The board considers possible revisions to the December estimate at the February meeting. Revisions are based on economic changes and additional collections data that have been noted since that time, which may increase or decrease anticipated revenue collections. The estimate approved at the February meeting sets a binding limit on appropriations for the legislative session.