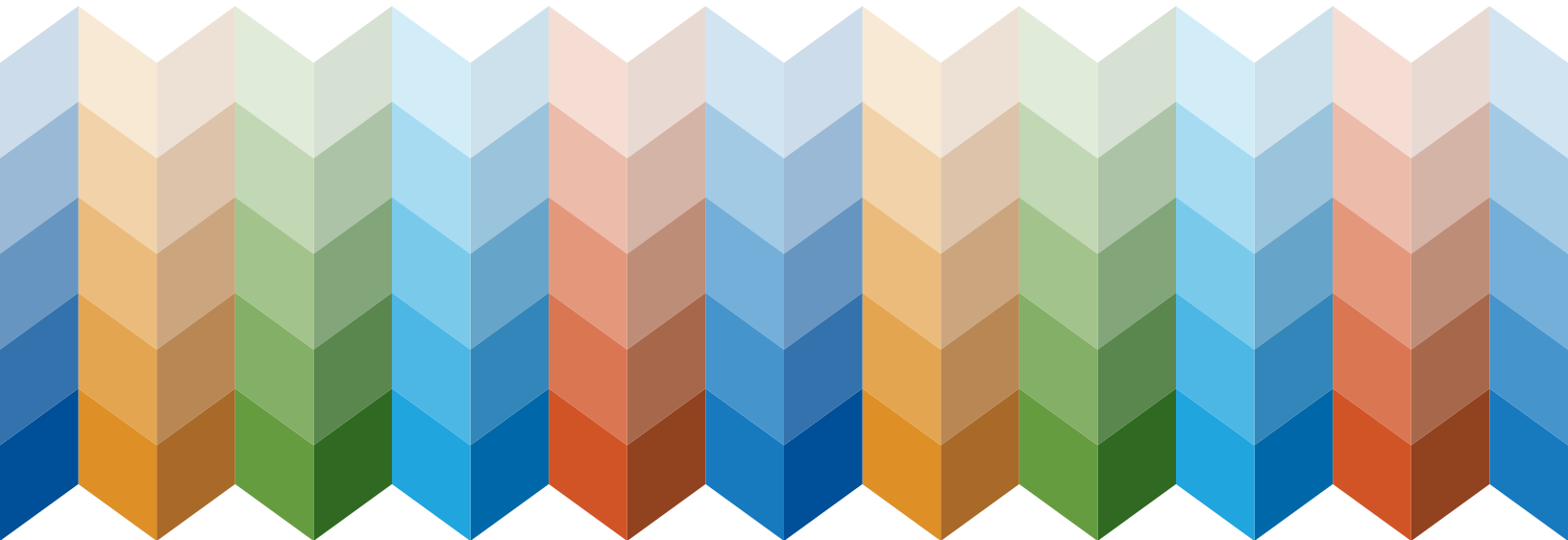


State Board of Equalization



Proposed FY 2027 Revenue Certification

Friday, Dec. 19, 2025



John Gilbert

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Office of Management
and Enterprise Services

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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



OKLAHOMA
Office of Management
& Enterprise Services

**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) | \$250,849,381 | \$238,075,544 | (\$12,773,837) | (5.1%) |
| General Revenue Totals | \$8,520,707,059 | \$8,743,543,124 | \$222,836,065 | 2.6% |
| Reserve Fund Statutory Deposits | \$0 ² | \$0 ² | \$0 | N/A |
| Transfers & Lapses | \$0 | \$1,872,849 | \$1,872,849 | N/A |
| TOTAL GENERAL REVENUE | \$8,520,707,059 | \$8,745,415,972 | \$224,708,913 ⁴ | 2.6% |
| 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 | \$123,610,000 | \$115,328,147 | (\$8,281,853) | (6.7%) |
| GRAND TOTAL STATE FUNDS | \$8,771,414,286 | \$8,998,126,232 | \$226,711,946 | 2.6% |
| Federal Certified Funds | | | | |
| ⁵ STATEWIDE RECOVERY FUND | \$101,470,889 | \$141,991,609 | \$40,520,720 | 39.9% |
| ⁵ ARPA ADMINISTRATIVE COSTS FUND | \$2,297,068 | \$2,297,068 | \$0 | 0.0% |
| GRAND TOTAL FEDERAL FUNDS | \$103,767,957 | \$144,288,677 | \$40,520,720 | 39.0% |

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 FY 2027 ESTIMATE Dec 2025 | PROPOSED AUTHORITY FY 2027 95% ESTIMATE 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) | \$223,208,103 | \$212,047,698 |
| Revenue Subtotal | \$8,632,722,468 | \$8,201,086,344 |
| OHLAP Transfer | (\$80,000,000) | (\$80,000,000) |
| 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 | \$111,474,000 | \$105,900,300 |
| 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 | \$840,752 | \$840,752 |
| 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**.

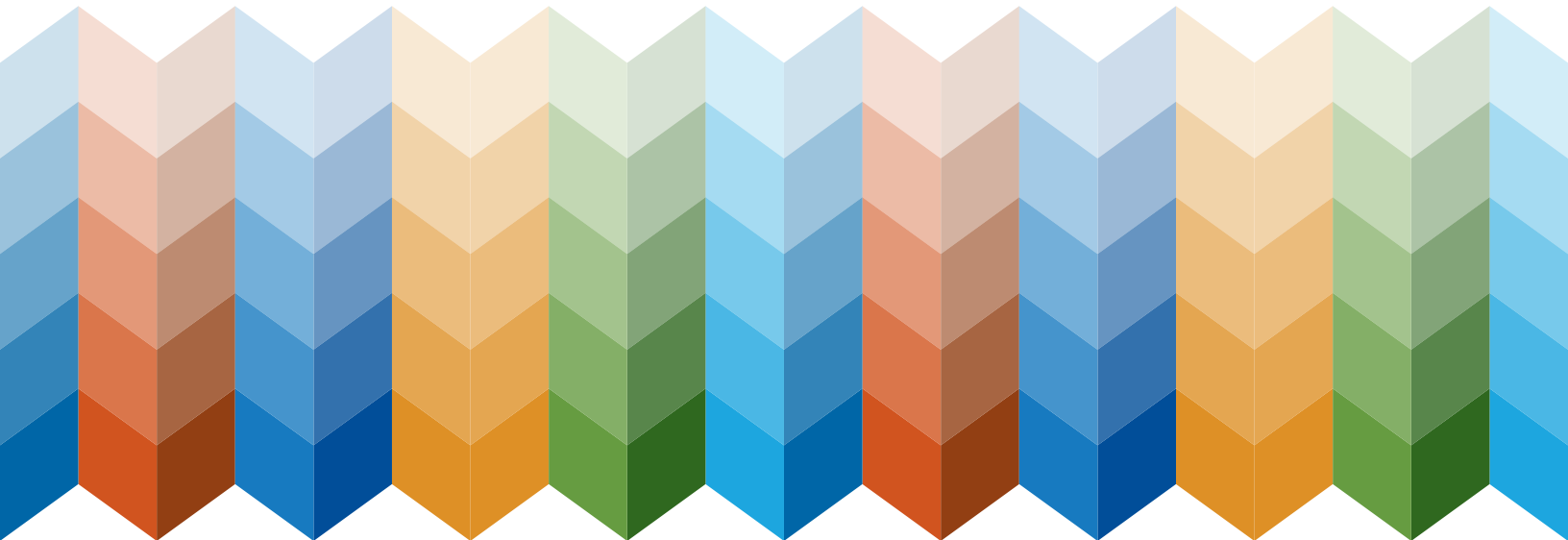
The estimate of total certified federal revenue available for appropriation is **\$185,062,453**.

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 EXPENDITURE AUTHORITY | FY 2026 Jun 2025 LEGISLATIVE APPROPRIATIONS | PROPOSED FY 2027 Dec 2025 EXPENDITURE AUTHORITY | CHANGE IN FY 2027 AUTHORITY FROM FY 2026 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



OKLAHOMA
Office of Management
& Enterprise Services

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 | \$1,323,089,590 | \$1,323,089,590 | \$731,313,122 |
| 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 | \$454,675 | \$454,675 | \$187,397 |
| TOTAL | \$2,926,880 | \$2,926,880 | \$2,422,329 |
| MINERAL LEASING FUND | | | |
| Certified | \$4,940,000 | \$4,940,000 | \$4,750,000 |
| Cash | \$344,531 | \$344,531 | \$359,606 |
| 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 | \$140,592 | \$140,592 | \$484,961 |
| TOTAL | \$1,223,877 | \$1,223,877 | \$1,539,732 |
| PUBLIC BUILDING FUND | | | |
| Certified | \$1,596,327 | \$1,596,327 | \$2,446,820 |
| Cash | \$2,205,551 | \$2,205,551 | \$1,048,051 |
| TOTAL | \$3,801,877 | \$3,801,877 | \$3,494,871 |
| SPECIAL CASH FUND | | | |
| Cash | \$187,000,000 ¹ | \$187,000,000 ¹ | \$0 |
| TOTAL | \$187,000,000 | \$187,000,000 | \$0 |
| STATEWIDE RECOVERY FUND | | | |
| Certified | \$205,770,798 | \$34,178,258 ² | \$184,221,701 |
| TOTAL | \$205,770,798 | \$34,178,258 | \$184,221,701 |
| ARPA ADMINISTRATIVE COSTS FUND | | | |
| Certified | \$3,506,932 | \$2,666,180 | \$3,506,932 |
| TOTAL | \$3,506,932 | \$2,666,180 | \$3,506,932 |
| SUBTOTAL NON-RESTRICTED FUNDS | \$9,633,555,486 | \$9,343,596,916 | \$9,156,886,848 |

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 |
| OHLAP 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 ¹ | \$0 |
| Revenue Stabilization Fund | \$238,077,462 | \$238,077,462 | \$0 |
| PREP Fund | \$20,000,000 | \$20,000,000 ² | \$0 |
| Agency Revolving Fund Authorizations | \$34,597,531 | \$34,597,531 ³ | \$0 |
| Additional Revolving Fund Appropriations | \$21,253,658 | \$21,253,658 ⁴ | \$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 Jun 2025 | FY 2026 PROJECTION 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) | \$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)

| | FY 2026 ESTIMATE Jun 2025 | PROPOSED FY 2027 ESTIMATE Dec 2025 | CHANGE IN FY 2027 ESTIMATE FROM FY 2026 ESTIMATE | % CHANGE IN FY 2027 ESTIMATE FROM FY 2026 ESTIMATE |
|--|--|---|---|---|
| General Revenue Fund | | | | |
| Alcohol Beverage Tax | \$47,966,000 | \$47,783,000 | (\$183,000) | (0.4%) |
| Mixed Beverage Receipts Tax | \$115,175,000 | \$120,893,000 | \$5,718,000 | 5.0% |
| Cigarette Tax | \$30,931,317 | \$35,653,069 | \$4,721,752 | 15.3% |
| Tobacco Products Tax | \$33,668,227 | \$31,412,694 | (\$2,255,533) | (6.7%) |
| Franchise Tax | \$2,894,000 | \$1,151,000 | (\$1,743,000) | (60.2%) |
| Gross Production Tax-Gas | \$348,426,000 | \$455,294,000 | \$106,868,000 | 30.7% |
| Gross Production Tax-Oil | \$291,432,000 | \$205,935,000 | (\$85,497,000) | (29.3%) |
| Income Tax-Individual | \$3,455,184,681 | \$3,421,174,078 | (\$34,010,603) | (1.0%) |
| Income Tax-Corporate | \$466,348,208 | \$462,986,288 | (\$3,361,920) | (0.7%) |
| Insurance Premium Tax | \$140,569,496 | \$142,735,063 | \$2,165,567 | 1.5% |
| Motor Vehicle Taxes | \$51,564,000 | \$50,608,000 | (\$956,000) | (1.9%) |
| Sales Tax | \$2,151,559,878 | \$2,370,460,738 | \$218,900,859 | 10.2% |
| Use Tax | \$567,720,779 | \$602,257,661 | \$34,536,882 | 6.1% |
| Interest & Investments (State Treasurer) | \$410,000,000 | \$405,000,000 | (\$5,000,000) | (1.2%) |
| Other OTC (see Appendix 3) | \$53,552,734 | \$56,170,775 | \$2,618,040 | 4.9% |
| Collections by Other Agencies (see Appendix 3) | \$178,761,218 | \$223,208,103 | \$44,446,885 | 24.9% |
| OHLAP Transfer | (\$70,000,000) | (\$80,000,000) | (\$10,000,000) | (\$10,000,000) |
| 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) | (9.6%) |
| COMMISSIONERS OF THE LAND OFFICE | \$12,460,000 | \$12,315,403 | (\$144,597) | (1.2%) |
| MINERAL LEASING | \$5,200,000 | \$5,000,000 | (\$200,000) | (3.8%) |
| OK EDUCATION LOTTERY TRUST FUND | \$65,000,000 | \$65,000,000 | \$0 | 0.0% |
| PUBLIC BUILDING | \$1,680,344 | \$2,575,600 | \$895,256 | 53.3% |
| SPECIAL OCCUPATIONAL HEALTH & SAFETY | \$1,140,300 | \$1,110,285 | (\$30,015) | (2.6%) |
| ALCOHOLIC BEVERAGE CONTROL FUND | \$13,263,980 | \$13,147,000 | (\$116,980) | (0.9%) |
| OK PENSION IMPROVEMENT REVOLVING FUND | \$119,892 | \$246,978 | \$127,086 | 106.0% |
| STATE PUBLIC SAFETY FUND | \$24,000,000 | \$25,400,000 | \$1,400,000 | 5.8% |
| HEALTH CARE ENHANCEMENT FUND | \$103,341,000 | \$111,474,000 | \$8,133,000 | 7.9% |
| 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) | (10.5%) |
| ARPA ADMINISTRATIVE COSTS FUND | \$3,506,932 | \$840,752 | (\$2,666,180) | (76.0%) |
| 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 | \$51,975,640 | \$46,216,090 | \$46,216,090 |
| 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 | \$30,010,861 ¹ | \$20,000,000 | \$20,000,000 |
| 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

| <i>Column 1</i> | <i>Column 2</i> | <i>Column 3</i> | <i>Column 4</i> |
|---------------------------------|-------------------------------|----------------------------------|---|
| | FY 2025 ACTUAL Dec 2025 | FY 2026 PROJECTED Dec 2025 | PROPOSED FY 2027 ESTIMATE Dec 2025 |
| SOURCE | | | |
| 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 ACTUAL Dec 2024 | FY 2025 ACTUAL Dec 2025 | FY 2026 PROJECTION Dec 2025 | PROPOSED FY 2027 ESTIMATE Dec 2025 |
|--|-------------------------------|-------------------------------|-----------------------------------|---|
| ROADS Fund Cap | \$590,000,000 | \$590,000,000 | \$610,000,000 | \$610,000,000 |
| Apportionment from Motor Vehicle Revenues | \$232,114,631 | \$220,584,758 | \$230,785,000 | \$234,604,000 |
| Apportionment from Diesel Taxes | \$54,037,497 | \$57,741,645 | \$57,353,000 | \$57,170,000 |
| Apportionment from Gasoline Taxes | \$58,769,798 | \$59,025,185 | \$58,501,000 | \$58,185,000 |
| ROADS Apportionment from Individual Income Tax | <u>\$245,078,074</u> | <u>\$252,648,412</u> | <u>\$263,361,000</u> | <u>\$260,041,000</u> |
| Tourism & Passenger Rail Rev. Fund Apportionment | \$2,000,000 | \$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> | <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) | \$448,837,856 |
| Total Reserves (RDF and RSF) | \$1,776,105,594 |
| | |
| 2025 General Revenue | \$731,313,122 |
| * 2026 General Revenue (Unspent Authority) | \$104,192,212 |
| Total General Revenue Cash | \$835,505,334 |
| | |
| FMAP Rate Preservation Fund (Projected Balance) | \$555,294,316 |
| * Education Reform Revolving Fund Cash (1017) | \$544,375,042 |
| 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.