

## Legislative Oversight Committee Meeting Minutes, January 13, 2021

**Call to order** A meeting of the Legislative Oversight Committee convened on January 13, 2021 at 3:30 p.m. at the Oklahoma State Capitol Senate Room 230, Oklahoma City, OK. Written notice was provided and the meeting agenda posted 48 hours in advance of the meeting, in compliance with the Open Meeting Law. The meeting was called to order once quorum was established according to Joint rule 10.5.

**Members Present:** Chairman Kevin Wallace, Rep. Meloyde Blancett, Rep. Jeff Boatman, Rep. John Echols, Rep. Kyle Hilbert, Rep. Cyndi Munson, Rep. Mike Osburn

Chairman Roger Thompson, Sen. Kim David, Sen. Chuck Hall, Sen. Julia Kirt, Sen. Dewayne Pemberton, Sen. Frank Simpson

Others: (in person) Director Mike Jackson, LOFT staff members Regina Birchum, Brad Ward, Tom Bogdanowicz, Katherine Grayson. (via video conference): LOFT staff members Shannon Rios, Ryan Maren, Zach Sumner, and Frank Magness

Chairman Thompson welcomed the members and guests present at the meeting. Chairman Thompson expressed appreciation for the advance receipt of LOFT's documents and noted today's report on the Board of Equalization would be the first report to be put out by LOFT. Chairman Thompson then turned the meeting over to Chairman Wallace.

### **Approval of Minutes**

Chairman Wallace opened the floor for discussion on the Legislative Oversight Committee minutes from the previous meeting, held on August 13, 2020. With no request for discussion brought forth, Sen. Hall made a motion to adopt the minutes as presented.

The motion was seconded by Rep. Hilbert. The motion carried with the following votes: Chairman Thompson, Aye; Sen. David, Aye; Sen. Hall, Aye; Sen. Kirt, Aye; Sen. Pemberton, Aye; Sen. Simpson, Aye; Chairman Wallace, Aye; Rep. Blancett, Aye; Rep. Boatman, Aye; Rep. Echols, Aye; Rep. Hilbert, Aye, Rep. Munson, Aye; Rep. Osburn, Aye.

The motion was adopted unanimously in accordance with Joint Rule 10.6.

### **LOFT Presentation of Draft Report: Rapid Response Evaluation of the Board of Equalization**

Chairman Thompson recognized LOFT Executive Director Mike Jackson to discuss the Rapid Response Evaluation on the Board of Equalization

Director Jackson shared opening remarks and walked the Members of the Oversight Committee through sections of the report. Director Jackson then presented an overview of the report's findings.

With permission from the Chairmen, Director Jackson opened the floor to questions from the Committee.

Director Jackson answered all questions brought forth from the Committee on each finding.

There was discussion prompted by Sen. Kirt regarding the impact of tax credits on corporate income tax volatility.

The following recommendations were made by Committee Members in response to reviewing the draft version of the report:

Rep. Blancett requested that on Finding 1, additional language be added to the report to include other economic sectors as it relates to tax volatility and budget estimation.

Director Jackson agreed to add more specificity to the section of the report referenced.

Rep. Blancett requested that in Finding 3, the chart on Page 24 pertaining to volatile taxes as a percentage of revenue fund actuals in FY 22 be enhanced to depict the percentage attributable to gross production tax versus Corporate tax.

Director Jackson confirmed the office had the data available to adjust the chart.

With no further member recommendations, Director Jackson issued closing remarks and thanked the Committee and Chairmen.

Chairman Thompson thanked Director Jackson and team for work on report, and requested that future reports be released with responses, after which time reports would be released to the public.

Chairman Wallace asked if any representatives from either the Tax Commission or the Office of Management and Enterprise Services were in attendance to provide the opportunity to respond. No agency representatives were present.

### **New Business**

Chairman Wallace discussed the need to set another meeting for other LOFT reports that are in progress. Chairman Wallace asked Jackson to address the committee on workflow status.

Director Jackson discussed the tentative schedule for upcoming reports, and let the Committee know it can ebb and flow. He said he would provide a tentative schedule of deliverables for work product.

Chairman Wallace stated the need to set a date for the next meeting. After conferring with Chairman Thompson, Chairman Wallace suggested a tentative meeting date of Thursday Feb 4<sup>th</sup> at 11:00 am. After discussion about the need to accommodate for a lunch break, committee members agreed to the date.

### **Adjourned**

A motion to adjourn was made by Sen. Hall and seconded by Rep. Hilbert. The meeting was adjourned at 4:52.