



2018 Regional Legislative Agenda

State Priorities

EDUCATED AND HEALTHY WORKFORCE

Address the Teacher Shortage: Improve the ability of Oklahoma's Pre-K-12 public schools to attract and retain effective career teachers through policies designed to increase the state's pool of qualified teachers and improve teachers' job satisfaction. This should include ensuring regionally competitive teacher pay, exploring incentive pay for special education teachers and teachers in high-need districts, incentivizing education for aspiring teachers through higher education programs, and supporting professional development. Oklahoma's ability to fill its growing teacher shortage with quality, effective teachers is crucial to the college and career success of its students and the sustainability of its workforce.

Fund Public Education for the 21st Century: Create and fulfill a comprehensive budget plan to meet the current and future growing needs of common education, CareerTech and higher education with new, recurring, sustainable revenue. This should include immediately working to increase existing per-pupil funding to the regional average while working in parallel to determine future funding and programs needed to ensure Oklahoma's children and their future employers can compete across the globe. This should also include fully funding concurrent/dual enrollment at the level requested by the state regents. Long-term trends of reduced per-capita funding for Pre-K-12, higher education and CareerTech have stifled innovation in education and severely damaged Oklahoma's ability to produce an educated workforce. This has made the state less competitive for attracting and retaining teachers, and damaged its reputation around the world as a quality place to live, work and build a business.

Health Care Workforce Expansion: Address current and future health care workforce needs in urban and rural Oklahoma through the following means: 1) Use all available state and federal resources to support and expand Teaching Health Center-related programs, including by expanding the Oklahoma Hospital Residency Training Act to include community-based training; 2) Support the Physician Manpower Training Commission; 3) Allow nurse practitioners and physician assistants with appropriate levels of training and experience to practice to the full extent of their license; 4) Support reimbursement for approved programs that use technology to provide a collaborative model of medical education and care management to empower primary care clinicians in rural and underserved communities to provide specialty care to patients; and 5) Support and incentivize graduate medical education and fellowships in underserved specialties, including psychiatry.

Local Funding of Education: Provide municipalities with the ability to supplement state education funding and target the unique priorities of their community. Voters in local communities should be able to increase their investment in their public schools without sacrificing or impacting their state funding. Meanwhile, the state aid formula must ensure a regionally competitive base funding level for all schools, with additional increases in state funding directed through that formula.



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Protect Health Coverage: Protect health insurance coverage under SoonerCare and Insure Oklahoma programs using all available federal and state funds. This should include preventing the further reduction of Medicaid provider reimbursement rates and exploring options for reducing the state's uninsured rate. OHCA, DHS and mental health Medicaid services are vital to the health of Oklahoma's workforce; the survival of nursing homes and rural hospitals; and the vitality of the health care industry, a \$12.5 billion economic engine statewide that employs more Oklahomans in primary jobs than any other private industry.

Support Behavioral Health Services: Expand behavioral health and substance abuse services to improve workforce efficiency, boost public safety, and help additional Oklahomans who suffer from mental illness and addiction. This should include: 1) Increase funding for the Department of Mental Health and Substance Abuse Services to expand access to prevention, early intervention and treatment; 2) Ensure that any definition of "essential benefits" in Medicaid-related plans includes mental health and addiction services, and such plans fully comply with the federal mental health parity law; 3) Ensure full implementation of State Questions 780 and 781 to financially support behavioral health treatment; and 4) Continue support for expanding statewide use of the Labor Commissioner Mark Costello Act (assisted, court-ordered outpatient treatment).

Workforce Development through TANF Funds: Redirect existing workforce development funding within Oklahoma's TANF allocation to Workforce Innovation and Opportunity Act-funded workforce boards, mirroring the Texas model for allocating these federal welfare resources. This will support industry workforce needs, provide more effective service to Oklahoma companies that are hiring and create a much-needed pipeline for low-income residents to obtain family-supporting jobs.

BUILDING INFRASTRUCTURE CRITICAL TO BUSINESS

Support Critically Needed Road Funding: Continue to improve Oklahoma's roads and bridges, and return streets and highways to a state of good repair by fully funding the Oklahoma Department of Transportation's eight-year plan and the County Improvement for Roads and Bridges five-year plan. Support an increase in the Oklahoma gas and diesel tax to a level comparable with surrounding states to provide a more sustainable revenue source paid by road users. Prioritize dedicating the fuel tax revenue and moving the remaining 25 percent of motor vehicle fees to transportation projects, which may include state highways, city and county roads and bridges, and public transit. Regional high-priority projects that can only be addressed through adequate funding include: widening of I-44 from I-244 east to the Will Rogers Turnpike; widening I-44 from the Arkansas River west to I-244 (Red Fork Expressway); expansion of U.S. 169 to six lanes north to State Highway 20; construction of a four-lane Port Road on Highway 266 from U.S. 169 to the Port of Catoosa, and from the Port of Catoosa to I-44; expansion of U.S. 75 to six lanes from State Highway 11 to State Highway 67; State Highway 20 bypass in Claremore; and high-capacity expressway-to-expressway interchanges between I-44, U.S. 169 and State Highway 51.



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ENSURING A PROSPEROUS ECONOMY

Criminal Justice Reform: Strengthen alternatives to incarceration and support reforms in sentencing, reentry and rehabilitation that safely reduce the prison population and enable nonviolent offenders to reenter the workforce. This should include investments in treatment and early-diversion efforts for individuals suffering from mental illness and addiction, as well as structural changes in the criminal justice system such as those proposed by the Oklahoma Justice Reform Task Force. These smart-on-crime reforms would improve community safety, reduce recidivism, lessen the burden on prisons and safety net programs, and enable more ex-offenders to contribute meaningfully to Oklahoma's economy.

Economic Incentives: Support tax credits, exemptions and incentives that provide an economic return to the state of Oklahoma, maintain competitiveness in business attraction and retention, and increase capital investment. Several programs proposed for review by the Oklahoma Incentive Evaluation Commission are critical to the state's competitiveness and should be protected, including the Historic Rehabilitation Tax Credit, all Quality Jobs programs, the Quality Events Program and the Film Enhancement Rebate.

Fund OCAST (Oklahoma Center for the Advancement of Science and Technology): Maintain OCAST's annual budget at its current level to avoid further loss of private sector-matched investment for growing and diversifying Oklahoma's economy. The state has lost more than \$600 million in potential public-private investment as a result of reduced state appropriations for OCAST over the last five years. This funding assists Oklahoma in four vital areas: 1) Research and development funding for businesses and universities; 2) Two- and four-year college internship opportunities; 3) Manufacturing support; and 4) Early-stage funding for start-up businesses. This funding allows Oklahoma communities to attract and retain high-quality STEM businesses and critical college talent, which will encourage growth and expansion in these target industries.

Modernizing Oklahoma's Alcohol Laws: Continue to support legislation that reforms Oklahoma's outdated alcohol laws, with particular focus on easing legal and regulatory burdens on restaurants, bars, event and sports venues, festivals, and other public events resulting from the elimination of low-point beer and the implementation of Oklahoma's new alcohol laws (Title 37A) in October 2018. Propose the creation of new licenses to be issued by the Oklahoma ABLE Commission, which would permit the aforementioned entities to sell and serve beer in the same manner in which low-point beer is currently sold and served, provided beer does not exceed the strength (8.99 percent ABV) that will be sold at grocery and convenience stores under the newly created Retail Beer License.

Municipal Funding Diversification: Support legislation that removes barriers to allow municipalities to reduce costs, operate efficiently and diversify sources of revenue available to municipalities for operating revenue. Key initiatives include diversifying revenue for funding public safety agencies, streets and other infrastructure improvements; and preserving and strengthening cities' authority to promote economic development activities within their borders.



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Promote Robust Energy Production: Oklahoma's combination of abundant energy resources and an entrepreneurial people has resulted in some of the lowest energy costs of any state in the nation. To preserve and maintain Oklahoma's position as a leading oil and gas producing state and to protect the important economic impact of oil and gas production to all Oklahomans, support an Oklahoma energy policy that provides a clear and reasonable regulatory environment, while opposing unnecessary and burdensome regulations and taxes.

Support Sensible Water Policy and Environmental Funding: Show strong support for appropriate water conservation practices, incentives and educational programs to moderate statewide water usage while preserving Oklahoma's population growth and economic development goals. Additionally, support legislation regarding Oklahoma's water law and regulations that ensures a balance among commercial, residential and agricultural interests. The state should also maintain funding for the Department of Environmental Quality and Water Resources Board, which monitor water resiliency and quality. Oklahomans have made significant investments in reliance on existing supply agreements, and the state should continue upholding the principle that its abundant water supplies are to be efficiently developed, used, reused, conserved and enjoyed, guaranteeing future availability and financial sustainability for ratepayers, municipalities and rural water districts.



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Federal Priorities

EDUCATED AND HEALTHY WORKFORCE

AmeriCorps Funding: Protect funding for the Corporation for National and Community Service, which supports local schools and nonprofit organizations with vital resources and manpower through AmeriCorps programs. Each year, these programs leverage \$35 million in federal and local funding to deploy approximately 1,000 AmeriCorps members in over 50 school districts and 100 nonprofits in Oklahoma to supplement school services and provide unique educational experiences to local children.

Federal Health Care Reform: Encourage Congress to refrain from changes to the structure and financing of Medicaid that would increase Oklahoma's uninsured rate and transfer federal risk and costs to Oklahoma taxpayers. However, remain open to innovations that decrease employer-sponsored and individual health insurance costs. In addition, reauthorize CHIP at existing funding levels. As the largest private employment sector in Oklahoma, health care and social assistance services make up hundreds of thousands of jobs, with Medicaid alone serving more than one million Oklahomans — two in three of whom are children — every year.

Fund Pell Grant Program: Maintain current funding levels for the Pell Grant Program. In addition, allow funding for concurrent enrollment and oppose attempts to cap per-student grants.

Mental Health Reform: Support full implementation of the reform measures signed into law as the 21st Century Cures Act in 2016. In addition, support continuing implementation and enforcement of the Mental Health Parity and Addiction Equity Act (MHPAEA), as amended by the Health Care and Education Reconciliation Act of 2010; and eliminate barriers to treatment set forth by the Medicaid Institutions for Mental Disease (IMD) exclusion policy and the 190-day lifetime limit for inpatient treatment of Medicare recipients. This would ensure equitable coverage for mental health and addiction services in individual, group health plans and group health insurance coverage.

Protect Federal Nutrition Programs: Maintain the structure, financing and eligibility criteria of federal nutrition programs under the USDA, which benefit Oklahomans' health, family stability and educational attainment. The Child and Adult Care Food Program; Free and Reduced School Breakfast and Lunch (including the Community Eligibility Provision); the Summer Food Service Program; Supplemental Nutrition Assistance Program (SNAP); and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) are all critical tools for combating food insecurity and preventing chronic disease, obesity, delayed early childhood development, absenteeism in schools, school behavioral issues and lower academic achievement.

Support Pell Eligibility for Short-Term, Industry-Driven Training: Expand Pell Grant eligibility to short-term, industry-driven training at higher education and vocational technical schools. Pell Grant eligibility is currently limited to programs covering two-thirds of an academic year, or 16 credit hours. This restriction was established before shorter-term credentials were as imperative for industry as they are today. Removing this restriction would help to build a much-needed worker pipeline for Oklahoma's companies. In addition, continue support for and recommend permanently reinstating Second Chance Pell funding.



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Support Training of Middle-Skill Workers: Support efforts to meet current industry needs for middle-skill workers eligible for jobs that require training beyond high school but less than a four-year college degree. This includes: 1) Funding the Workforce Innovation and Opportunity Act at the level recommended by Congress as reauthorized in 2014; 2) Providing dedicated support for partnerships between industry and higher education and vocational technology schools; 3) Increasing funding for the Work Opportunity Tax Credit and expanding this program's support to include apprenticeships and other work-based learning; and 4) Expanding alternative pathways to employment, including apprenticeships, to allow for greater flexibility in learning opportunities.

BUILDING INFRASTRUCTURE CRITICAL TO BUSINESS

McClellan-Kerr Arkansas River Navigation System: Increase congressional appropriations to address the approximately \$155 million in maintenance backlog of MKARNS – \$142.5 million of which is deemed critical – potentially leading to a shutdown of the waterway over the next five years. Also address the White River Entrance Channel cut-off problem caused by the tendency of the White and Arkansas rivers to merge together during flooding. Failure to correct this issue will lead to a loss of navigation on the entire system. Finally, provide the necessary appropriations to deepen MKARNS to its 12-foot authorized depth, thereby increasing barge productivity by 30 percent. Ensure any federal comprehensive infrastructure package includes funding for this issue.

Tulsa's Levee System: Continue to support addressing the critical infrastructure needs with Tulsa's aging levee system, which the Corps of Engineers has designated as one of the five percent highest-risk levee systems in the country. Federal legislation has authorized the Corps to develop a plan for addressing the structural deficiencies, but securing funding should remain a top priority. If one levee fails, it would be catastrophic for homeowners, two nationally strategic oil refineries and multiple industries currently protected by the system, and have devastating environmental impacts for the region. Ensure any federal comprehensive infrastructure package includes funding for this issue.

ENSURING A PROSPEROUS ECONOMY

Collection of Online Sales/Use Taxes: Support passage of the Marketplace Fairness Act or other federal legislation that will ensure sales and use taxes already owed from online purchases are fairly and effectively reported, collected and remitted.

Eliminate Barriers to Greater Use of Natural Gas: Support measures to reduce or eliminate barriers to greater use of American-produced natural gas, including CNG, LNG, GTL and NGLs. Oklahoma is the third-largest producer of natural gas in the United States, and the Department of Energy should facilitate full development of this resource to strengthen the country's national security, economic outlook and geopolitical position in the world. DOE action on this initiative has the potential to significantly increase the Tulsa region's job creation in the production and manufacturing sectors.

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Federal Criminal Justice Reform: Reform national criminal justice systems to emphasize rehabilitation and restorative justice, and fully fund the Second Chance Act, Justice Reinvestment Initiative and Mentally Ill Offender Treatment and Crime Reduction Act. In addition, reconsider recent moves toward long sentences and the strongest possible charges for low-level drug offenses, which do not promote public safety, deterrence and rehabilitation. Smart-on-crime reforms will ease workforce shortages, save taxpayer money, improve public safety and lead to better pathways for ex-offenders to contribute meaningfully to their local economies.

Federal Historic Tax Credits: Maintain federal Historic Rehabilitation Tax Credits for the restoration of historic buildings. These credits have for 30 years been an important catalyst for incentivizing private investment to preserve the nation's historically significant buildings and revitalize the historic cores of American cities. The existing 20 percent income tax credit for certified historic structures and 10 percent credit for certain noncertified historic structures should be preserved. Additionally, support the School Infrastructure Modernization Act, which expands the tax credit to include historic school buildings that still operate as an educational institution.

Maintain Funding for EPA Brownfields Program: Encourage Congress to maintain, or even increase, current funding levels for the EPA's Brownfields Program. Federal funding for rehabilitating brownfields sites is vital for Oklahoma's communities to address core environmental challenges, and reopen land for successful economic development and growth.

SBA Loan Programs: Streamline the application and approval process for the SBA 7(a) Loan Program in an effort to reduce the administrative burden of such loans. Additionally, support legislation that allows small business owners to refinance existing commercial debt using SBA's 504 Loan Program, and support the SBA's 8(a) program for disadvantaged small businesses. This will increase the availability of capital for small businesses and accelerate the creation of jobs and the growth of our economy.

