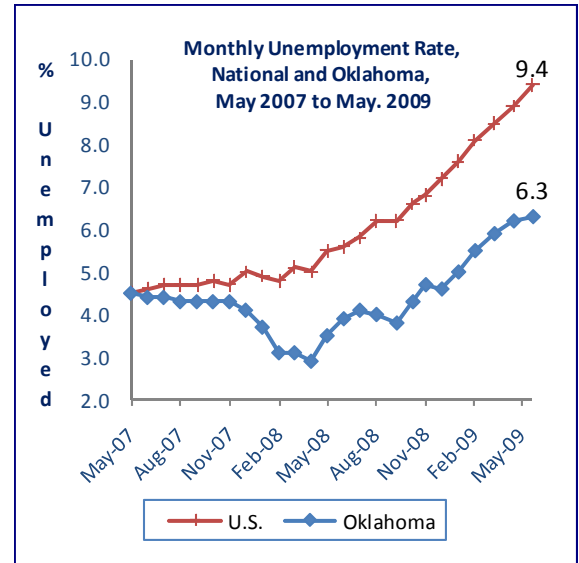


### NUMBERS YOU NEED: Key Oklahoma Economic and Budget Trends: July 2009

#### 1. EMPLOYMENT

While the national job situation continued to worsen, there was better news locally on the employment front in May, as Oklahoma's unemployment rate rose by a modest 0.1 percentage point to 6.3 percent. This rate is the seventh lowest in the nation and is a full 3.1 percentage points below the national unemployment rate (9.4 percent). However, unemployment in Oklahoma is now at its highest rate since March 1992. The state shed an additional 12,500 jobs in May, but the average weekly number of initial claims for jobless benefits fell slightly in May for the second straight month.



Oklahoma	May-09	Apr-09	May-08	Monthly Change	Annual Change
Total Non-Farm Employment (in 000s)	1,557.7	1,570.2	1,597.6	(12.5)	(39.9)
Unemployed (in 000s)	111.7	110.4	63.1	1.3	48.6
Unemployment Rate (%)	6.3	6.2	3.6	0.1	2.7
Initial UI Claims (Weekly Avg.)	4,537	4,938	1,817	(401)	2,720
Continuing UI Claims (Weekly Avg.)	45,372	41,485	14,354	3,887	31,018

Sources: Bureau of Labor Statistics: <http://www.bls.gov/news.release/laus.toc.htm>; <http://www.economagic.com/>; Department of Labor: <http://ows.doleta.gov/unemploy/claims.asp>. Employment and unemployment figures are seasonally-adjusted.

#### 2. INFLATION

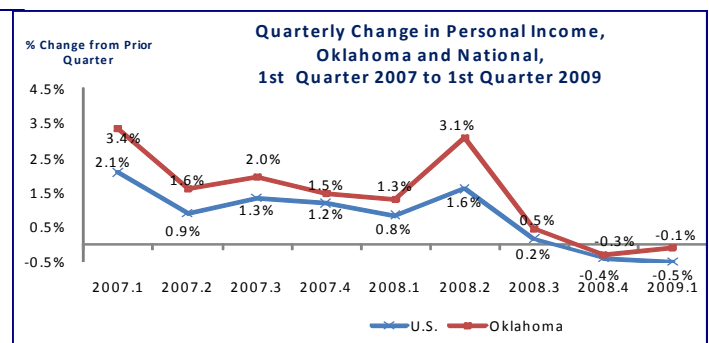
For the fourth straight month, the Consumer Price Index (CPI) for the South region rose by a modest 0.3 percent in May, but remained 1.3 percent below a year ago. Rebounding oil and gas prices led to increases in energy (+3.7 percent) and transportation (+2.4 percent) costs for the month; however, costs in both these categories remained well below their levels of 12-months ago. The cost of food and beverages fell for a third straight month in May.

Inflation (CPI - All Urban Consumers, South Region)	% Change from Prior Month May-09	% Change from Prior Month Apr-09	% Change from Prior Month May-08	12-month % Change
All Items	0.3	0.3	0.9	-1.3
Food and beverages	-0.1	-0.3	0.3	3.2
Housing	0.0	-0.1	0.5	1.4
Apparel	-1.6	0.8	-0.9	0.1
Transportation	2.4	1.5	3.7	-16.2
Medical care	0.0	0.4	-0.3	2.6
Recreation	0.0	0.2	0.1	1.7
Education and communication	0.2	0.0	0.1	3.2
Other goods and services	-0.1	3.2	0.5	8.0
Energy	3.7	1.8	7.1	-26.4
All items less food and energy	0.0	2.1	0.1	2.0

Source: Bureau of Labor Statistics, Consumer Price Index: for the South: <ftp://ftp.bls.gov/pub/special.requests/atlanta/cpiso.txt>

#### 3. ECONOMIC GROWTH

Oklahoma's personal income declined by 0.1 percent in the first quarter of 2009, marking the second straight quarter of economic contraction. However, Oklahoma's decline was less severe than the nation's, which saw personal income fall by 0.3 percent. Over the past year, personal income in Oklahoma rose by 0.8 percent, well above the national average of 0.2 percent and the second strongest rate of growth behind only West Virginia.



Source: <http://www.bea.gov/regional/sqpi/>

#### 4. WORK SUPPORTS AND PUBLIC BENEFITS

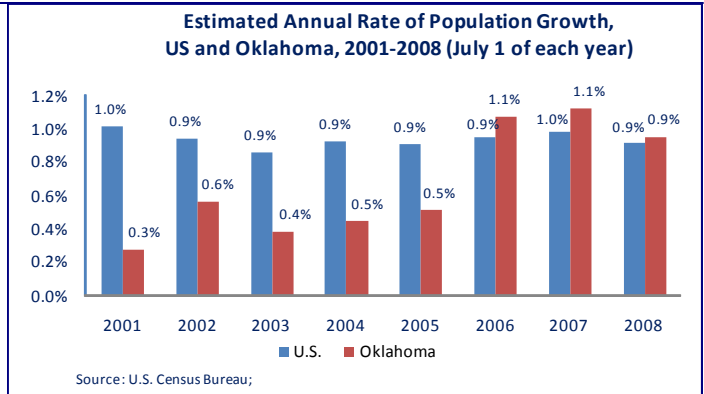
The impact of the economic downturn continues to be seen in increasing participation in work support and safety net programs. The number of Oklahomans receiving benefits from the Supplemental Nutrition Assistance Program (formerly Food Stamps) rose for the thirteenth consecutive month in April, reaching an all-time high of 463,426 persons. Similarly, enrollment in the SoonerCare health insurance program increased by 1.0 percent in March and was up by 4.3 percent compared to one year prior. April also saw a significant (3.2 percent) increase in the number of persons received Temporary Assistance to Needy Family payments, indicating that the worsening job market is finally leading unemployed single parents to seek cash assistance.

PROGRAM	Apr-09	Mar-09	Feb-09	Monthly Change (Mar - Apr 09)	Monthly Percent Change	Apr-08	Annual Change	Annual Percent change
Child Care subsidies - Persons Participating	39,058	39,672	38,510	(614)	-1.6%	40,329	(1,271)	-3.2%
Supplemental Nutrition Assistance (Food Stamps) - Persons Participating	463,426	450,057	444,184	13,369	2.9%	411,789	51,637	12.5%
SoonerCare (Medicaid) - Persons Participating	634,789	628,726	621,482	6,063	1.0%	608,810	25,979	4.3%
TANF (Temporary Assistance to Needy Families) - Persons Participating	19,392	18,772	18,895	620	3.2%	18,588	804	4.3%
WIC (Women, Infants, Children) Nutrition Program	129,035	127,360	123,624	1,675	1.3%	122,192	6,843	n/a
School Lunch Program - Children Participating	431,433	442,430	441,241	(10,997)	-2.5%	426,149	5,284	1.2%
School Breakfast Program - Children Participating	209,745	206,742	206,186	3,003	1.4%	203,292	6,453	3.2%

Source: Oklahoma Department of Human Services: <http://www.okdhs.org/library/stats/sb/> USDA Food and Nutrition Service: <http://www.fns.usda.gov/pd/>

#### 5. POPULATION GROWTH

Oklahoma's estimated population on July 1, 2008 was 3,642,361, ranking it as the 28th most populous state for the eighth straight year. Since 2000, Oklahoma's population has grown at an average annual rate of 0.67 percent, 27th fastest among the states but somewhat below the national average of 0.94 percent. Oklahoma's population growth trailed the national average for the first part of this decade, but has outpaced the national average in the three years of 2006-08. In 2008, the state's population grew by an estimated 34,238 people, or 0.95 percent, slightly exceeding the 0.92 percent increase of the nation as a whole.



#### 6. STATE REVENUES

The state closed out FY '09 with a sixth consecutive month of sharply declining revenue collections. For June, General Revenue (GR) fell \$190.4 million, or 30.1 percent, below the same month in FY '08, and \$156.7 million, or 26.2 percent, below the certified estimate. Every major tax declined in June, with gross production taxes yielding just \$13.0 million, the lowest amount since September 2002. For all of FY '09, GR collections came in \$434.9 million, or 7.3 percent, below FY '08 and \$427.8 million, or 7.2 percent, below the certified estimate. Despite revenues falling well below appropriations, the state was able to use cash reserves to make up most of the shortfall and only implemented cuts totaling \$6.8 million to agency budgets. The new fiscal year began July 1st amidst great concern that revenues will continue to fall short of projections.

Monthly General Revenue Collections (Amounts in \$ Millions)	June 09 (FY '09)	Prior Year June 08 (FY '08)	Prior Month May 09 (FY '09)	Monthly Change, FY '09 vs FY '08	FY '09 - YTD (July - June)	FY '08 YTD (Jul - June)	FY '07 YTD (Jul - June)	YTD Change, FY '09 vs FY '08
Personal Income Tax	186.0	233.6	134.6	(47.6)	2013.5	2,239.0	2,337.7	-225.5
Corporate Income Tax	34.6	61.3	1.4	(26.7)	265.7	279.1	435.2	-13.4
Gross Production Tax	13.0	104.7	27.2	(91.7)	718.5	825.2	639.6	-106.7
Sales Tax	129.4	146.2	122.7	(16.8)	1646.6	1,611.9	1,531.3	34.7
Motor Vehicles Tax	14.5	19.3	15.4	(4.8)	175.8	251.6	259.4	-75.8
Other Sources	63.7	66.5	55.8	(2.8)	698.0	746.1	732.0	-48.1
<b>Total General Revenue</b>	<b>441.2</b>	<b>631.6</b>	<b>357.1</b>	<b>(190.4)</b>	<b>5518.1</b>	<b>5,953.0</b>	<b>5,935.1</b>	<b>-434.9</b>

Source: Oklahoma State Treasurer <http://www.ok.gov/treasurer/Newsroom/index.html>

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Oklahoma Policy Institute conducts objective analysis of state policy issues in order to better position Oklahoma to become a more prosperous, better educated, healthier, and increasingly equitable state. Visit [www.okpolicy.org](http://www.okpolicy.org) for information and analysis.