

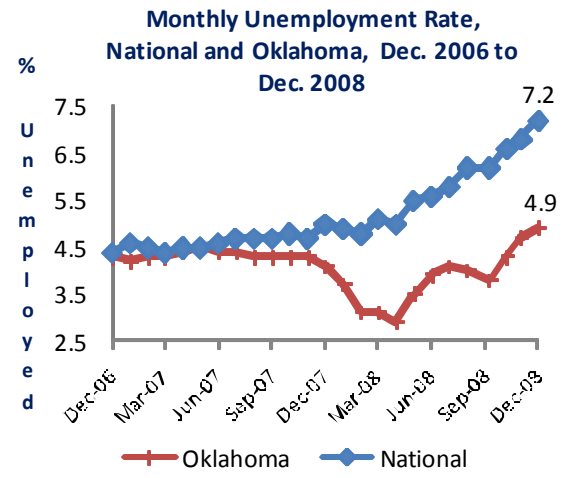
### NUMBERS YOU NEED:

## Key Oklahoma Economic and Budget Trends: February 2009

### 1. EMPLOYMENT

Oklahoma's employment situation worsened considerably for the third straight month in December. Since September, the number of unemployed has increased by 32 percent, from 66,000 to 87,000. The unemployment rate has jumped from 3.8 percent to 4.9 percent, while the average number of people filing initial and continuing claims for Unemployment Insurance benefits each week has more than doubled.

Oklahoma	Dec-07	Nov-08	Dec-08	Monthly Change	Annual Change
Total Non-Farm Employment (in 000s)	1,575	1,590	1,590	0.0	15.2
Unemployed (in 000s)	71.5	82.9	87.0	4.1	15.5
Unemployment Rate (%)	4.1	4.7	4.9	0.2	0.8
Initial UI Claims (Weekly Avg.)	2,918	4,076	4,500	424	1,583
Continuing UI Claims (Weekly Avg.)	14,634	20,850	24,620	3,771	9,987



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

The Consumer Price Index for the South region fell in December, though less sharply than in November. It was the third time in four months that the CPI fell. For the year, inflation in the region was at 0.0 percent. Energy prices continued to show the steepest drop in December and were down nearly 20 percent from 12 months prior. Food prices remained unchanged between November and December but remained up 5.8 percent for the year.

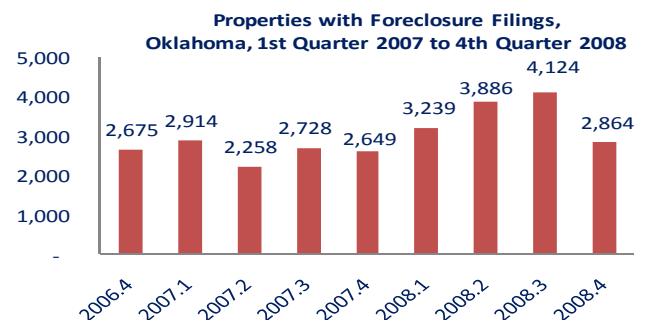
Inflation (CPI - All Urban Consumers, South Region)	% Change from Prior Month				12-month % Change
	Dec-07	Oct-08	Nov-08	Dec-08	
All items	0.0	-1.2	-2.2	-1.0	0.0
Food and beverages	0.2	0.6	0.0	0.0	5.8
Housing	0.2	-0.4	-0.3	-0.1	3.3
Apparel	-1.8	1.6	-0.3	-3.1	-2.7
Transportation	-0.5	-6.4	-11.5	-5.3	-14.9
Medical care	0.2	0.2	0.3	0.1	2.7
Recreation	0.2	0.1	-0.1	-0.2	1.7
Education and communication	0.1	0.0	0.1	0.1	3.1
Other goods and services	0.5	0.2	0.3	-0.2	2.9
Energy	-0.8	-10.8	-18.9	-8.9	-19.8
All items less food and energy	0.1	0.1	-0.1	-0.2	1.7

Source: Bureau of Labor Statistics, Consumer Price Index: <http://www.bls.gov/news.release/cpi.toc.htm>

### 3. FORECLOSURES

The number of properties in foreclosure declined in Oklahoma in the fourth quarter of 2008 compared to the third quarter but remained higher than for the same quarter in 2006 and 2007, according to data from RealtyTrac. Nationally, foreclosure filings fell by 4 percent. Oklahoma's foreclosure rate was 34th in the nation. For the year, foreclosures rose 51 percent in Oklahoma, below the national average of 81 percent.

Source: <http://www.realtytrac.com>; 4th quarter 2008 data provided to author



#### 4. WORK SUPPORTS AND PUBLIC BENEFITS

Oklahoma's key safety net programs showed indications of modestly growing demand in November. The number of Oklahomans receiving Food Stamps rose for an eighth consecutive month and has now increased by 6.1 percent since March 2008. Participation in the SoonerCare health insurance program also showed continued growth. However, caseloads in the TANF (Temporary Assistance to Needy Families) program dipped slightly in November, suggesting that single mothers affected by the economic downturn are not turning to cash assistance for support.

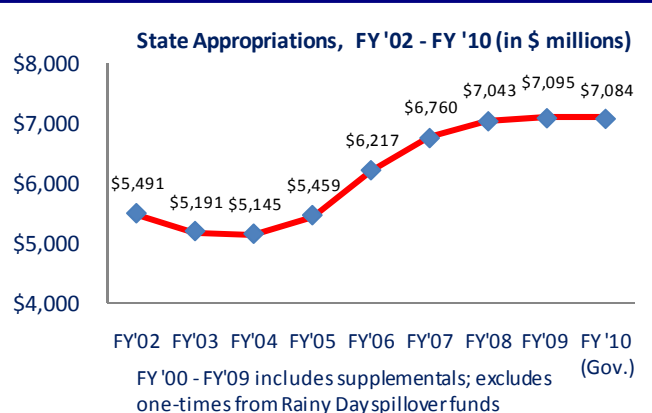
PROGRAM	Nov-07	Sep-08	Oct-08	Nov-08	Monthly Change	Monthly Percent Change	Annual Change	Annual Percent change
Child Care subsidies - Persons Participating	40,549	40,720	38,554	39,192	638	1.7%	(1,357)	-3.3%
Supplemental Nutrition Assistance (Food Stamps) - Cases	176,124	180,270	183,102	184,505	1,403	0.8%	8,381	4.8%
Supplemental Nutrition Assistance (Food Stamps) - Persons Participating	417,973	426,114	432,642	435,564	2,922	0.7%	17,591	4.2%
SoonerCare (Medicaid) - Persons Participating	611,179	608,035	611,298	613,285	1,987	0.3%	2,106	0.3%
TANF (Temporary Assistance to Needy Families) - Cases	9,343	8,636	8,840	8,814	(26)	-0.3%	(529)	-5.7%
TANF (Temporary Assistance to Needy Families) - Persons Participating	20,508	18,616	19,170	19,218	48	0.3%	(1,290)	-6.3%
WIC (Women, Infants, Children) Nutrition Program	122,206	129,227	129,316	127,095	(2,221)	-1.7%	4,889	4.0%
School Lunch Program - Children Participating	431,384	438,631	448,234	449,515	1,281	0.3%	18,131	4.2%
School Breakfast Program - Children Participating	203,515	205,724	213,073	218,421	5,348	2.5%	14,906	7.3%

Source: Oklahoma Department of Human Services (data shared with author); USDA Food and Nutrition Service: <http://www.fns.usda.gov/pd/Overview.htm>

#### 5. STATE APPROPRIATIONS

In December, the State Board of Equalization provided an initial FY '10 certification of \$6.756 billion, which is \$312.9 million, or 4.4 percent, less revenue than was available for appropriations in FY '09. The Governor has proposed a \$7.084 billion budget for FY'10, with overall funding at almost the same level as FY '09. While minimizing the extent of funding cuts, the Governor's budget was unable to fund increases in operating expenses and program growth for many agencies. The budget shortfall is expected to grow by an additional \$300 million once the Board of Equalization recertifies revised revenue projections in February.

Source: See <http://okpolicy.org/governor-henrys-fy10-executive-budget>



#### 6. STATE REVENUES

The state's run of monthly revenue collections exceeding projections and prior year collections came to a screeching halt in January, as monthly General Revenue (GR) came in \$45.5 million below the prior year and \$50.8 million, or 9.3 percent, below the certified estimate. Plummeting gross production tax revenues were the main factor responsible for the decline, but personal income tax and motor vehicle tax collections were also weak in January. For the year, GR collections remain \$151.2 million, or 4.4 percent, above the certified estimate. Should the decline in collections accelerate in the coming months, there is some danger that the state would have to impose across-the-board cuts to current year appropriations.

Monthly General Revenue Collections (Amounts in \$ Millions)	Prior Year Jan. 08 (FY '08)	Prior Month Dec '08 (FY '09)	Jan. 09 (FY '09)	Monthly Change, FY '09 vs FY '08	FY '07 YTD (Jul - Jan)	FY '08 YTD (Jul - Jan)	FY '09 - YTD (July - Jan)	Change, FY '08 - FY '09 YTD (Jul - Jan)
Personal Income Tax	249.9	211.9	221.6	(28.3)	1,446.8	1,352.2	1,331.5	-20.7
Corporate Income Tax	9.3	35.7	23.2	13.9	181.7	129.4	154.5	25.1
Gross Production Tax	51.2	98.7	35.2	(16.0)	322.7	380.7	558.7	178
Sales Tax	137.5	148.9	148.0	10.5	895.6	959.6	1,019.0	59.4
Motor Vehicles Tax	22.5	9.2	9.7	(12.8)	143.2	148.4	104.2	-44.2
Other Sources	67.9	62.9	55.1	(12.8)	419.8	411.8	406.1	-5.7
<b>Total General Revenue</b>	<b>538.3</b>	<b>567.3</b>	<b>492.8</b>	<b>(45.5)</b>	<b>3,409.7</b>	<b>3,382.2</b>	<b>3,574.0</b>	<b>191.8</b>

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

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