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Oklahoma Supreme Court hears ballot initiative complaints



by **Adam Wilmoth** Published: March 2, 2018 5:00 AM CDT



Wind turbines behind a pump jack are seen just east of Okarche. Photo by Bryan Terry, The Oklahoman archives

The Oklahoma Supreme Court on Thursday heard two challenges to a proposed ballot initiative that would raise taxes on oil and natural gas production to provide a pay raise for teachers.

Led by oil and natural gas industry representatives, the challenges centered on the clarity of the proposal and its description, and on whether the initiative would violate the state's constitutional requirement that state questions embrace only one subject.

An attorney for the initiative proponents, however, said the language is clear and legal and that voters should have a chance to decide on the issue.

If approved by voters in November, State Question 795 would set the gross production tax on oil and natural gas at 7 percent. The tax rate currently is 2 percent of for the first three years of production before it increases to 7 percent. The

additional tax revenue would be used to pay for a \$4,000 teacher pay raise.

Proponents are facing a tight deadline because they first must gain nearly 124,000 legal signatures in time to begin the process of getting the initiative on the ballot.

In a challenge filed by the Oklahoma Independent Petroleum Association, attorney Robert McCampbell said the initiative is unclear as to which wells would be affected by the increased tax rate and that the issue is further complicated by a typographical error in one of the descriptions.

"The people are entitled to make an informed decision," McCampbell said. "It is important, as this court has said previously, that the potential signators be given accurate information and be allowed to make an informed decision."

McCampbell argued the initiative proponents should be required to rewrite and resubmit their proposal, a process proponents say could delay the effort and cause it to miss this year's ballot.

Initiative attorney Ryan Ray said the language is clear and that the court should not interfere at this point in the process.

"This court has said it is not going to engage in an analysis of the initiative petitions in the pre-initiative state, that it is not going to engage in a due process evaluation in a vacuum," Ray said. "At this stage, all doubt is to be resolved in the favor of the petition. The only question for the court here is if it's clearly unconstitutional."

In a separate hearing, representatives for the Oklahoma Oil and Gas Association said the proposal violates the state's single-issue statute because the question would increase taxes, raise teacher pay and give power to the state Board of Equalization to administer the program.

"There is nothing inherent that connects these three items," attorney Glenn Coffee said. "Each is a separate, independent provision. It is impossible to combine them under a single umbrella because they are all separate topics."

Ray, however, said the proposal meets the constitutional requirements.

"The courts have said there must be an interlocking package. That's what we have," he said. "We're going to raise the money. We specify how that money is going to be used, and we have an oversight function. They're all interconnected."

The Supreme Court is expected to rule at a later date.

