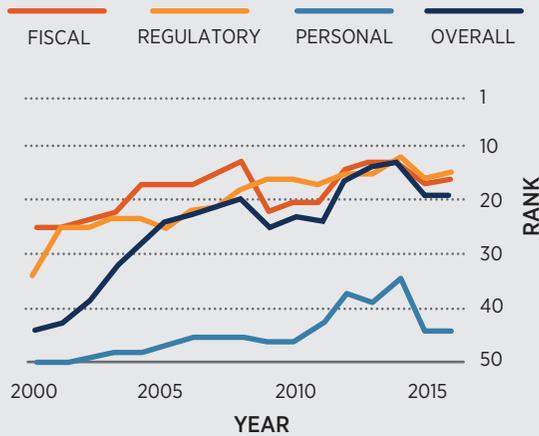


# OKLAHOMA

2016 RANK  
**19th**



## POLICY RECOMMENDATIONS

- **Fiscal:** Reduce the government payroll. The proceeds could be applied to shaving the sales tax.
- **Regulatory:** Legalize nurse practitioner independent practice with full prescription authority, join the Nurse Licensure Compact, and pass a nursing consultation exception for interstate practice. These reforms would have raised Oklahoma four places on regulatory policy, to 11th place.
- **Personal:** Eliminate mandatory minimum sentences for victimless offenses.



Population, 2017  
**3,930,864**

Net Migration Rate  
**2.0%**



State Taxes, Percent of Personal Income, FY 2017  
**4.36%**

Local Taxes, Percent of Personal Income, FY 2015  
**3.01%**

Partisan Lean, 2016  
**R +20.2**



Real Per Capita Personal Income, 2016, in 2009 \$  
**\$43,458**

Real Personal Income Growth, CAGR, 2000-15  
**3.6%**

## ANALYSIS

As noted earlier in this book, Oklahoma is the most improved state for the 2000–2016 period, with some regression since 2014. Moreover, while the Sooner State's personal freedom lags its economic freedom, it has made significant progress on both dimensions.

Oklahoma is one of the lowest-taxed states in America. However, it is also fiscally centralized. Local taxation is about 3 percent of adjusted personal income, while state taxation is 4.4 percent. State and local debt is much lower than average (11.3 percent of adjusted income), but so are financial assets of state and local governments (13.8 percent of adjusted income). Government employment is much higher than average (15.2 percent of private employment), and government GDP share is also high (12.3 percent of income).

Land-use regulation is light in Oklahoma, although the state has not restrained eminent domain for private gain and bans employers from prohibiting guns in their own parking lots. Labor law is excellent, with a right-to-work law, no state-level minimum wage, a federally consistent anti-discrimination law, and the 2014 repeal of mandated workers' compensation coverage. However, the state has a long-standing ban on noncompete agreements. Occupational licensing has grown over time and is more extensive than average. Nurses' practice freedom remains fairly restricted, and nurse practitioners actually lost their autonomy entirely in 2015.

Insurance freedom is high, and rating classification prohibitions were eliminated in 2013–14. The state does have both general and gasoline-focused prohibitions on sales below cost, a price-gouging law, a certificate-of-need law for medical facilities, moving company licensing, and a ban on Tesla's direct-sales model. The court system is relatively good because of tort reforms in the 1990s and early 2000s.

Oklahoma is a mass-incarcerating state, and federal data show the situation worsened significantly in 2013. Despite this, victimless crime arrests have been declining since about 2005. Civil asset forfeiture reform has not gone far. It is still possible to get a life sentence for a single cannabis offense not involving minors. There is a two-year mandatory minimum sentence for even small-scale cultivation. For a state without a government liquor monopoly, Oklahoma does poorly on alcohol freedom. There are statewide blue laws, a happy hour ban, a total ban on direct wine shipment, and a ban on all alcohol sales in grocery stores. Casino gambling was legalized in 2005. Educational freedom has grown recently, with a very limited voucher law in 2010 and a modest tax benefit for contributions to private scholarship funds enacted in 2011–12. Homeschools and private schools are virtually unregulated, and a statute was enacted in 2016 codifying the existing homeschool legal regime. Tobacco freedom is relatively good, although new smoking restrictions in bars surfaced in 2013–14. The state was forced to legalize same-sex marriage, suspending its super-DOMA, in 2014.