AUGUST 2020

FISCAL NOTES

Texas' Electricity Resources

By Lisa Minton

In 1883, Galveston became the first city in Texas to install electric lights. It wasn't long before power plants were built in other Texas towns and cities, providing energy for lights, appliances, elevators, pumps and industrial machinery, and transforming our lives in ways Benjamin Franklin couldn't have imagined during his kite experiment on a stormy day in 1752.

According to the U.S. Energy Information Administration (EIA), Texas both produces and consumes more electricity than any other state. Texas' abundant natural resources, including natural gas, coal and wind, are readily available to fuel our power plants.

So far, our electricity resources have kept stride through broiling summers and destructive hurricanes, but Texas power producers will be challenged to sustain this growth in the years to come — while accommodating social and technological changes that transform the way we produce and consume energy.

THE GRID AND ITS COMPONENTS

Texas is the only one of the contiguous 48 states with its own stand-alone electricity grid, one of the three main grids in the U.S.: the Eastern Interconnection, Western Interconnection and Texas Interconnection. The Texas Interconnection, which covers 213 of the 254 Texas

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MEASURES OF ELECTRICAL ENERGY

Watt (W): A unit of power representing one *joule* per second. A joule is the amount of energy dissipated as heat when an electric current of one ampere passes through a resistance of one ohm for one second. A thousand watts are called a *kilowatt* (kW); a million watts is a *megawatt* (MW).

Kilowatt-hour (kWh): The most common measure of electrical energy, representing the consumption of 1,000 watts for one hour. A megawatt-hour (MWh) is 1,000 kWh; a gigawatt-hour (GWh) is one million kWh.

According to ERCOT, 1 MW of electricity can power about 200 Texas homes during periods of peak demand.

A Message from the Comptroller

It's summer in Texas, and Texans know what that means — in months of triple-digit temperatures, the air conditioner becomes your best friend. It's hard to imagine life in Texas without it. But all that cool air is only a part of the story; our state both produces and uses more electricity than any other, for homes, businesses and industry.

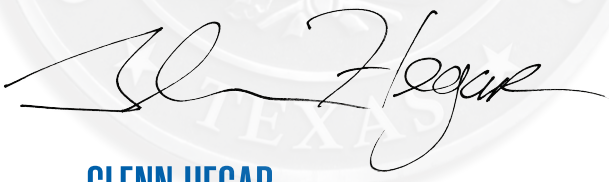
In this issue of *Fiscal Notes*, we take a look at Texas' electricity; its sources, production and usage; and the regulatory structure that governs it. We're blessed with an array of natural resources to make energy, from coal and natural gas to wind and that blazing sun itself. And in most of Texas, the electricity produced is managed by the Electric Reliability Council of Texas (ERCOT). ERCOT makes sure the lights stay on and the AC keeps humming in 213 Texas counties, home to more than 26 million of us.

Under the oversight of the Public Utility Commission, ERCOT has to orchestrate a complex array of entities, including wholesalers, investor-owned and municipal utilities, co-ops, river authorities and transmission and distribution utilities, as well as 46,500 miles of power lines and hundreds of power plants. And the whole system is evolving, moving away from coal to natural gas and renewable resources. Among the latter, wind energy is king — our use of it has more than quadrupled in the last decade.

It's a constant challenge to keep the system up and running and yielding enough power to meet the needs of our fast-growing state. Summers with record-breaking energy use have become common. Ironically, the pandemic and recession may be providing a brief respite for ERCOT due to lower industrial demand and plunging oil production. But when the recovery comes, our need for power will continue spiraling upward.

In our August issue, we also talk about the complexities of Texas' electricity system and markets with Kenan Ögelman, ERCOT's vice president of commercial operations.

As always, I hope you enjoy this issue!



GLENN HEGAR

Texas Comptroller of Public Accounts

TEXAS COMMUNITY COLLEGES

GULF COAST REGION

ALVIN COMMUNITY COLLEGE
BRAZOSPORT COLLEGE
COLLEGE OF THE MAINLAND COMMUNITY COLLEGE
GALVESTON COLLEGE
HOUSTON COMMUNITY COLLEGE
LEE COLLEGE
LONE STAR COLLEGE SYSTEM
SAN JACINTO COMMUNITY COLLEGE
WHARTON COUNTY JUNIOR COLLEGE

REGIONAL IMPACT OF COMMUNITY COLLEGES' SPENDING, 2019

EMPLOYMENT **20,077**

OUTPUT **$2.7 BILLION**

COMPENSATION **$1.3 BILLION**

Texas' community college districts serve a vital role in our state's economy by developing our workforce, preparing students for further academic study and meeting specific vocational needs. The 13 counties in the Gulf Coast region include nine community college districts.

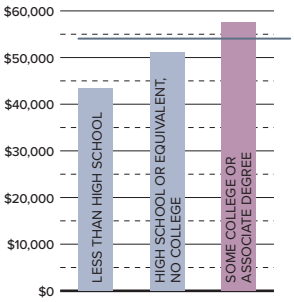
Note: Figures include direct, indirect and induced economic impacts.

Sources: JobsEQ, Texas Comptroller of Public Accounts, Texas Higher Education Coordinating Board and Texas community colleges.

NOTE: THESE ANALYSES PREDATED THE COVID-19 CRISIS AND THE ECONOMIC IMPACTS THAT FOLLOWED.

WAGES BY EDUCATIONAL ATTAINMENT

AVERAGE ANNUAL EARNINGS BY EDUCATIONAL ATTAINMENT, GULF COAST REGION, 2018



Source: JobsEQ

Community colleges provide their students with a good return on investment.

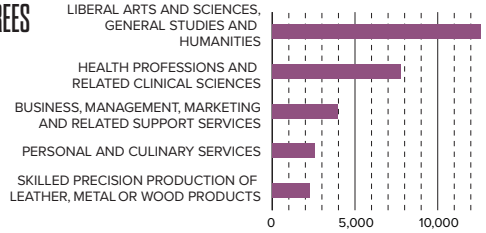
AVERAGE WAGE INCREASE OVER HIGH SCHOOL DIPLOMA OR GED **$6,408**

NUMBER OF WORKERS, SOME COLLEGE OR ASSOCIATE DEGREE **796,592**

TOTAL REGIONAL ADDITIONAL WAGES **$5.1 BILLION**

CERTIFICATES AND DEGREES

TOP CERTIFICATES AND DEGREES, GULF COAST REGION, 2017-2018 SCHOOL YEAR



Source: JobsEQ

SUMMARY

The Gulf Coast region's nine community college districts account for more than 20,000 jobs and more than $2.7 billion in economic output annually, while the greater skills and education of graduates add another $5.1 billion to the region's total income. The region still has unmet demand for degrees and certificates in business fields.

TO SEE INFORMATION ON COMMUNITY COLLEGES AND THE TEXAS ECONOMY:
https://comptroller.texas.gov/economy/economic-data/colleges/

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Texas' Electricity Resources

CONTINUED FROM PAGE 1

counties, is managed by the Electric Reliability Council of Texas, or ERCOT (**Exhibit 1**). Portions of Texas near the state's borders are covered by the eastern and western grids.

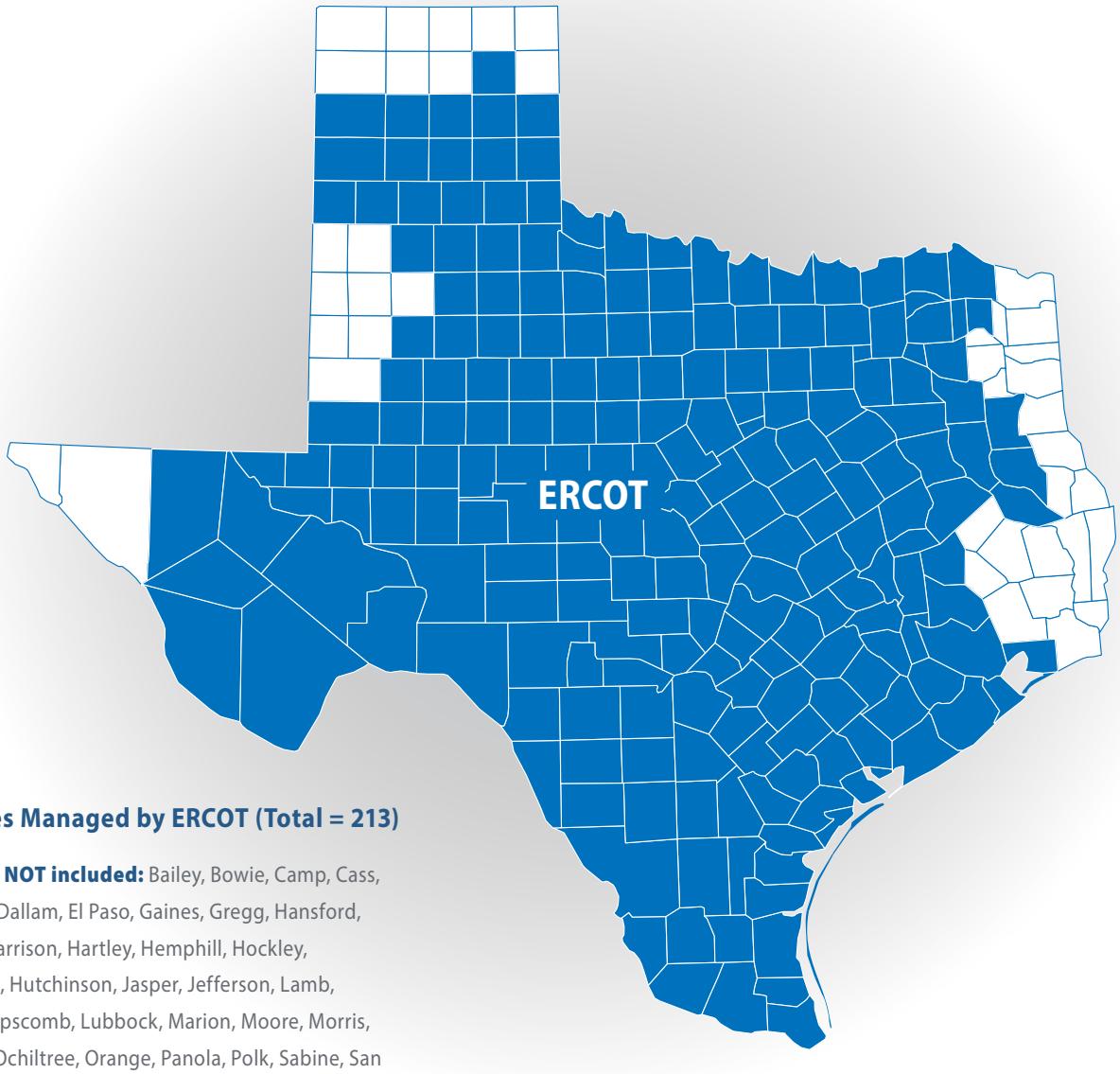
As the independent system operator for the Texas grid, ERCOT connects more than 46,500 miles of transmission lines and more than 650 power generation facilities, providing electricity to more than 26 million customers.

ERCOT's primary responsibilities include maintaining power reliability, ensuring open access to transmission lines and facilitating competitive electricity markets. It's overseen by the Texas Public Utility Commission, which also enforces compliance with the state's utility laws and regulates Texas' electric utility rates.

In Texas, several types of entities are involved in providing electricity to end users. The current structure

EXHIBIT 1

ERCOT SERVICE AREA



Counties Managed by ERCOT (Total = 213)

Counties NOT included: Bailey, Bowie, Camp, Cass, Cochran, Dallam, El Paso, Gaines, Gregg, Hansford, Hardin, Harrison, Hartley, Hemphill, Hockley, Hudspeth, Hutchinson, Jasper, Jefferson, Lamb, Liberty, Lipscomb, Lubbock, Marion, Moore, Morris, Newton, Ochiltree, Orange, Panola, Polk, Sabine, San Augustine, San Jacinto, Shelby, Sherman, Terry, Trinity, Tyler, Upshur and Yoakum. **(Total = 41)**

Source: ERCOT

dates from 1999, when the Texas Legislature introduced retail competition in much of ERCOT's service area. According to ERCOT, about 75 percent of its total power load represents customers in these "competitive" areas.

In competitive areas, *power generators* produce electricity from fuel and sell it on the wholesale market, where it's purchased by private companies called *investor-owned utilities* or *retail electricity providers* (REPs). Texas has about 300 REPs; customers can choose among them based on pricing and various options such as an emphasis on renewable power. Electricity purchased from REPs is distributed to homes, businesses and other facilities by *transmission and distribution utilities*, which own the actual poles, power lines and meters.

Texans living in areas outside the ERCOT grid or in areas served by *municipally owned utilities* (such as Austin Energy), *electricity co-ops* and *river authorities* rely on a single service provider. According to the Legislative Budget Board, as of September 2019, six of Texas' 20 largest cities maintained their own utilities, the largest being San Antonio.

GENERATION, DEMAND AND CAPACITY

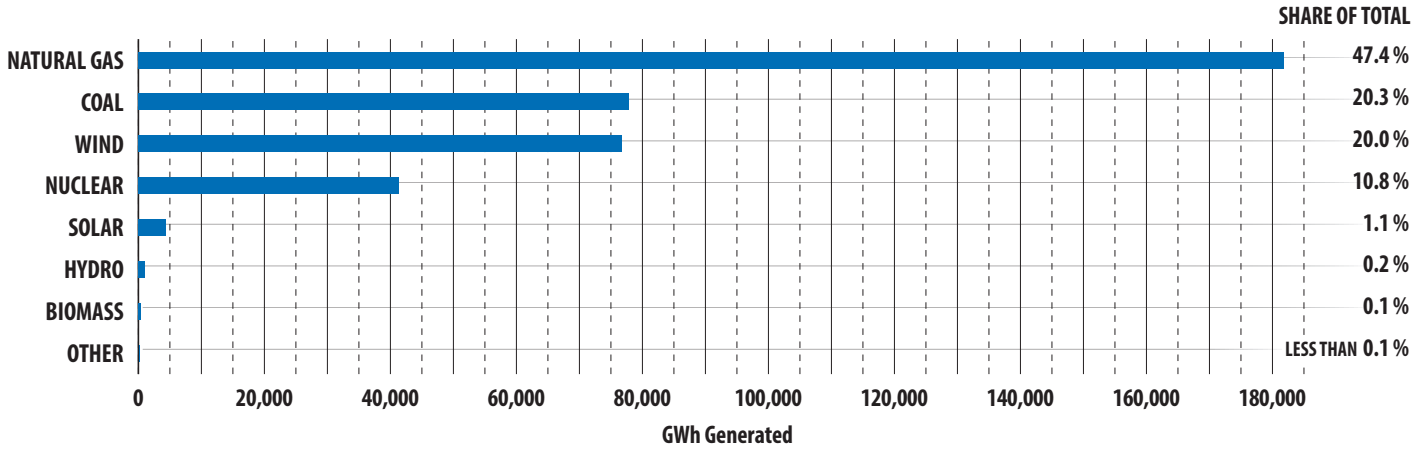
Early power plants produced electricity primarily from coal, steam or hydroelectric energy. Today, Texas still generates electricity from some of these traditional sources but increasingly relies on natural gas as well as renewable resources, primarily wind.

According to ERCOT, nearly half of Texas' electricity was generated by natural gas-fired power plants in 2019. Coal-fired plants and wind power each generated about 20 percent, while the state's two nuclear power plants — the South Texas Project near Bay City and Comanche Peak near Glen Rose — supplied a total of 11 percent. Solar, hydroelectric and biomass resources provided most of the remainder (**Exhibit 2**).

Texas' fuel mix has changed considerably in the past decade. In 2009, coal-fired plants generated nearly 37 percent of the state's electricity while wind provided about 6 percent. Since then, three Texas coal-fired

EXHIBIT 2

TEXAS ELECTRICITY GENERATION BY FUEL, 2019



Source: ERCOT

plants have closed and the use of wind power has more than quadrupled, as more transmission lines bringing electricity from remote wind farms to urban market centers came online.

In the same period, our energy consumption rose by 20 percent. According to ERCOT, much of this growth can be attributed to new industrial facilities along the coast near Houston, as well as oil and gas activities in the Permian Basin. ERCOT's most recent forecasts indicate that Texas' electricity demands will continue to rise, although the pandemic and recession may alter consumption (see sidebar).

Meeting Texans' need for electricity requires ERCOT to maintain sufficient generating capacity, keep adequate reserves and encourage conservation.

According to ERCOT, the grid's electrical demand reached a record high of 74,820 MW in August 2019, at a time when the state's reserve margin — the amount of extra energy on hand beyond peak demand — fell to a historically low 8.6 percent. To protect the grid's reliability and prevent uncontrolled outages during tight conditions such as this, ERCOT can declare an Energy Emergency Alert, which triggers certain procedures, such as rotating outages and public advisories to conserve energy, when operating reserves drop below specific levels.

Weather conditions — particularly Texas' triple-digit summers — are a *huge* factor in predicting demand, since about half of Texas' peak electricity use comes from air conditioning. ERCOT expects record-breaking electricity use again in summer 2020, even after the economic impacts related to the COVID-19 pandemic, but anticipates the state will have enough capacity to meet expected demand under normal conditions.

ERCOT keeps a close eye on the state's reserve margin. Since last August, it's returned to a relatively healthy 12.6 percent, with most of the additional

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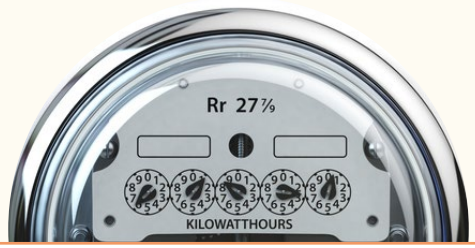
POWER DEMAND AND COVID-19

One factor that may affect ERCOT's prediction models is the COVID-19 pandemic, which early analyses show to be reducing demand somewhat as it shifts consumption from commercial to residential use. In July, the EIA estimated that, due largely to the pandemic, U.S. power demand will decline by 4 percent in 2020.

A recent study by the Texas A&M Energy Institute showed a significant reduction in electricity consumption that correlates strongly with the rise in the number of COVID-19 cases and social distancing as well as declining commercial activity; these factors could have "a significant impact on the behavior of the electricity sector in the future."

ERCOT began monitoring load impacts directly related to COVID-19 in March 2020. At this writing, its reports show weekly energy use running about 1 percent lower than expected.



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generation coming from renewable sources. ERCOT expects the grid's reserves to stay at acceptable levels for the next five years (**Exhibit 3**).

RENEWABLE ENERGY

Renewable energy sources — mainly wind — contribute more than a fifth of Texas' net electricity. Texas is the nation's leader in wind-powered electricity generation, producing almost 30 percent of the U.S. total. According to the American Wind Energy Association, only four nations have more wind capacity than Texas.

In the first quarter of 2020, the Solar Energy Industries Association ranked Texas fifth among states in installed solar capacity, with 4,606 MW in place and an estimated 10,261 jobs tied to solar power. Sunny West Texas in particular offers excellent potential for solar energy and, as costs for photovoltaic panels fall and transmission access improves, the state's solar capacity can be expected to increase; the Solar Energy Industries Association ranks Texas second nationally for projected growth during the next five years.

The remarkable growth of Texas renewable energy sources is due at least in part to the state's Renewable Energy Credit (REC) program. Created in 1999, it was intended to increase the capacity of renewable resource generation in Texas from 880 MW to 2,880 MW by the year 2009. The REC program was expanded in 2005 to increase the goal to 5,880 MW by 2015 and 10,000 MW by 2025 (with 500 MW from resources other than wind). Texas surpassed the 2025 goal in 2009.

CONSERVATION

Electricity conservation helps Texans save money, but it also helps maintain the reliability of our electricity grid. When consumers use unusually high amounts of electricity — such as during extreme weather conditions — it puts a strain on power plants to keep up and, for those using fossil fuels, contributes to air pollution and potential climate change.

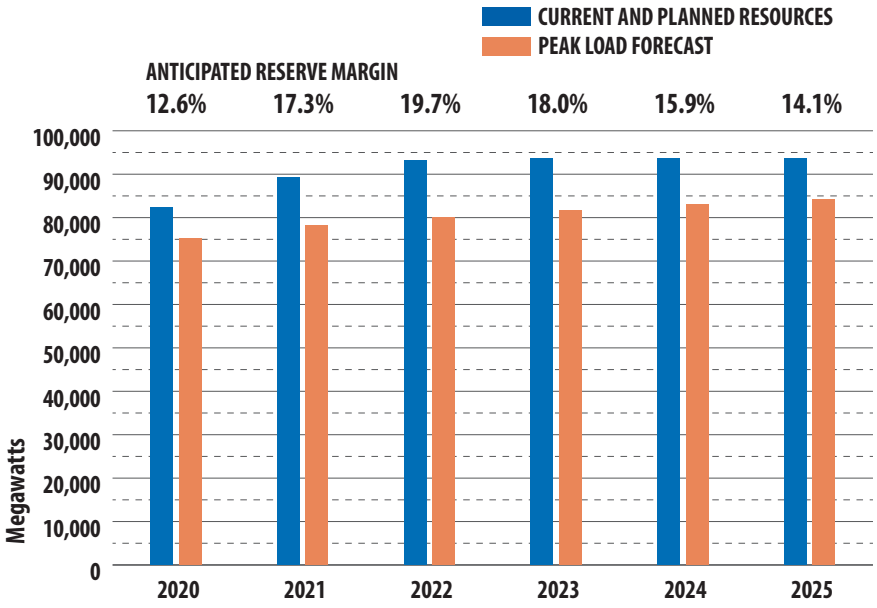
In 1999, Texas became the first state to establish Energy Efficiency Resource Standards (EERS), which require investor-owned electric utilities to reduce energy use and demand. The initial savings goal for each utility is equal to up to 30 percent of the utility's annual growth in peak demand. After that target is met, the EERS require annual savings equal to up to 0.4 percent of each utility's peak demand.

Since 1999, according to the National Conference of State Legislatures, 27 other states have implemented EERS. In 2017, those states achieved average annual incremental savings of 1.2 percent of retail electricity sales; states without EERS achieved average savings of just 0.3 percent.

Reliable electricity has become fundamental to modern life. While Texas' electricity supply has increased each year, so has our demand. Ironically, the pandemic may provide a brief respite for utility companies, but the inevitable recovery, our population growth — and our unfailingly hot summers — mean that Texas will be challenged to increase and improve its power generation and transmission abilities for the foreseeable future. **FN**

EXHIBIT 3

ERCOT'S PREDICTED GENERATING CAPACITY, PEAK LOADS AND RESERVES, 2020-2025



Source: ERCOT

ERCOT's Role: Keeping the Lights on in Texas

AN INTERVIEW WITH KENAN ÖGELMAN

By Jackie Benton

It's become a monthly summer ritual here in Texas: that brief pause before checking the electric bill. Sometimes, there's a feeling of hope — perhaps the new low-watt light bulbs, the energy-efficient appliances and the constant monitoring of the air conditioning thermostat had a positive impact on the bill.

But consumer usage is only part of the equation; the energy market itself plays a role in consumer electricity costs. And as with other free markets, the law of supply and demand and a host of other variables affect prices. The resulting upticks and downturns are reflected in the ups and downs of consumers' energy bills, if they're not protected by a fixed-rate plan.

In Texas, the Electric Reliability Council of Texas (ERCOT) manages the flow of electric power to more than 26 million Texas customers who represent about 90 percent of the state's total electric load. As the system operator for most of Texas, ERCOT schedules power on a massive electric grid that connects more than 46,500 miles of transmission lines and more than 650 power generation units. ERCOT also administers retail markets for 8 million Texas premises in areas with retail competition.

Fiscal Notes recently interviewed Kenan Ögelman, ERCOT's vice president of commercial operations, to discuss ERCOT's role in managing the Texas energy grid and its power markets.

Q: How would you describe ERCOT's mission and role in competitive energy markets?

Ögelman: The power grid for Texas is an interconnected network that moves electricity from producers such as power plants to consumers. ERCOT matches the supply of electricity with consumer demand and ensures the grid remains stable so Texans can be sure their lights and air conditioning stay on 24/7.

Q: How did ERCOT come to manage the grid and administer its wholesale and retail electric markets?

Ögelman: As a membership-based 501(c)(4) nonprofit corporation, ERCOT is governed by a board of directors and subject to complete oversight by the Public Utility Commission of Texas (PUC) and the Texas Legislature. In 1999, the Texas Legislature passed Senate Bill 7, which allows the production and sale of electricity services, with prices determined by customer choice and the normal forces of competition.

With guidance from the Texas Legislature, the PUC adopted rules promoting the efficient and reliable operation of the energy market, allowing the fullest use of competitive auctions to procure energy, minimal cost socialization [the passing on of business costs to customers] and the economic utilization of resources. At the same time, pricing safeguards were adopted to protect the public from market failures, including market power abuse.

The PUC certified ERCOT as the independent organization to ensure the reliability and adequacy of the regional electrical network and provide access to the transmission and distribution systems for all buyers and sellers of electricity on nondiscriminatory terms. The PUC has also delegated authority to ERCOT to create operating standards within the ERCOT region, and to oversee ERCOT-administered wholesale energy markets.

ERCOT's Role: Keeping the Lights On in Texas

Unlike other energy markets, the Federal Energy Regulatory Commission (FERC) does not have jurisdiction over our market design, but it does have some jurisdiction on reliability-related issues.

Q: In what way is ERCOT's role as an independent organization unique compared to other U.S.-managed power networks managing energy needs?

Ögelman: ERCOT is located entirely within a single-state jurisdiction, Texas, with the PUC and the Texas Legislature having exclusive oversight of the market design [essentially, the "rules" of competition within a market]. Thus, unlike other energy markets, the Federal Energy Regulatory Commission (FERC) does not have jurisdiction over our market design, but it does have some jurisdiction on reliability-related issues.

Q: How is your organization regulated?

Ögelman: First of all, we operate under the close observation of PUC. Our daily dealings are guided by the ERCOT Protocols, which were originally approved by the PUC on March 14, 2001. The ERCOT Protocols contain the scheduling, operating, planning, reliability, customer registration and settlement policies, rules, guidelines, procedures, standards and criteria of ERCOT. ERCOT is subject to FERC jurisdiction on reliability rules called the North American Electric Reliability Co. Reliability Standards.

Q: Would you talk a little bit about ERCOT's relationship with the Independent Market Monitor (IMM) and how that relates to Texas energy market prices?

Ögelman: The IMM operates under the PUC's supervision and oversight. It offers independent analysis to the PUC and assists it with making judgments in the public interest regarding ERCOT's wholesale energy markets. The IMM is independent from ERCOT and is not subject to ERCOT's supervision regarding its monitoring and investigative activities.

The objective of the IMM is to monitor ERCOT-administered wholesale markets to detect and prevent market manipulation strategies and market power abuses by gathering and analyzing information and data regarding ERCOT-administered markets, including the behavior of market buyers and sellers, as well as ERCOT's compliance with its own market rules.

KENAN ÖGELMAN
VICE PRESIDENT OF COMMERCIAL OPERATIONS, ERCOT

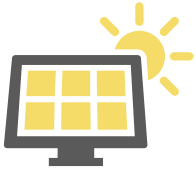
The IMM has the authority to investigate market participants about any activities that may violate PUC or ERCOT rules regarding market manipulation that affect energy market prices. The IMM can request data from market participants or ERCOT to fulfill its monitoring responsibilities. While the IMM lacks enforcement authority, its insights inform PUC enforcement actions for market manipulation strategies and market power abuses.

Q: Would you briefly describe how ERCOT manages the energy markets?

Ögelman: In many ways, ERCOT is like a stock exchange, making sure that energy market transactions between buyers and sellers are handled accurately and efficiently.

The PUC has delegated authority to ERCOT to administer the wholesale and retail electricity markets designed to provide consumers competitive rates for electricity. ERCOT-administered wholesale electricity markets do not include the cost to deliver electricity over power lines to the customer, which

In many ways, ERCOT is like a stock exchange, making sure that energy market transactions between buyers and sellers are handled accurately and efficiently.



remains a service provided by local utilities and is regulated by the PUC. ERCOT centrally coordinates transactions between competitive wholesale power buyers and sellers and manages the financial side of the energy market by collecting money from companies that consume power and paying the resources that produce the power.

Buyers of energy can bilaterally contract with sellers of energy at a price negotiated between them to meet the buyer's energy obligations. ERCOT is not involved in determining the negotiated price for energy for these trades. The energy trades are presented to ERCOT for settlement. To the extent a buyer does not procure enough energy bilaterally via energy trades to meet its energy obligation, ERCOT administers a Day-Ahead Market and a Real-Time Market for energy.

In the ERCOT-administered wholesale markets, ERCOT uses nodal energy prices for resources. Nodal energy prices are location-specific marginal prices based upon resource-specific bids to provide energy. ERCOT selects the least-cost resource that will support reliable operation of the ERCOT grid. Depending on the ERCOT grid conditions, all nodal prices for resources could be the same or nodal prices can vary between resources.

Q: How does ERCOT receive the data that helps determine energy market prices?

Ögelman: ERCOT incorporates data from generation resources, transmission and distribution operators and retail electric providers (REPs) representing both the willingness to buy or sell power and the complete physical network characteristics of the electric system. These data are then incorporated into models and algorithms that produce wholesale electric prices and ensure the reliable operation of the ERCOT grid. The data cover singular prices at which producers are willing to sell in addition to ratings and operational limits of all elements of the ERCOT grid, which allows for computer simulation and analysis of the grid.

The ERCOT Protocols delineate data requirements for different participants of our market. ERCOT relies on data inputs from more than 200 market participants to help maintain the accuracy of the ERCOT systems through the submission of model, market and outage data. The data are a combination of private-sector and public data sources.

ERCOT relies on data inputs from more than 200 market participants to help maintain the accuracy of [its] systems.

Q: Please give a short explanation of the energy futures markets in layman's terms, and how these markets can influence Texas energy costs. How do energy companies use the market pricing by ERCOT?

Ögelman: Although only a small share of the power produced in the ERCOT region is transacted exclusively in the Real-Time Market, market expectations of real-time energy prices form the basis for prices in the Day-Ahead Market and bilateral forward markets where most transactions occur.

Bilateral forward market transactions are voluntary transactions between a buyer and seller at a negotiated price for electricity. For example, an REP may agree to purchase wholesale electricity from a resource at a fixed price for a fixed term, such as all of calendar 2021. The buyer and seller will present that energy trade to ERCOT for settlement to cover some or all of the REP's wholesale energy obligation for that customer.

Unless there are barriers preventing arbitrage of the prices between the real-time and forward markets, prices in the forward markets should be directly related to the prices in the Real-Time Market and should converge over time. Therefore, low prices in the Real-Time Market will translate to low forward prices. Likewise, price spikes in real time will increase prices in the forward markets.

An important part of a resources owner's decision on whether to invest in additional resources and/or continue to operate current resources is the forward energy price. REPs offer energy products to retail customers based upon their costs to serve their customers during the term of the contract. The REP's cost is based upon its procurement strategy for energy, including day-ahead, real-time and forward market energy purchases. **FN**




Comptroller's Office Keeping Taxpayers Connected

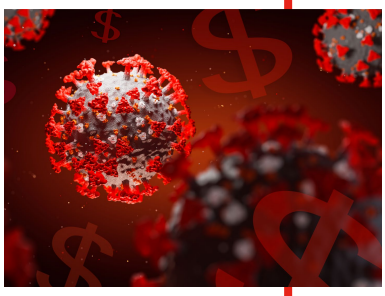
During the coronavirus pandemic, the business of Texas doesn't stop — and neither does the work of the Comptroller's office. Even as we're social distancing, the agency is still connecting with taxpayers and businesses, offering support and the most helpful, updated information. Resources include details on tax filing relief and postponements of tax payment plans — important information that helps us keep Texas open for business.

Keep checking our website at comptroller.texas.gov/about/emergency for the agency's response and changes to business operations during the pandemic. We're here to help!

The COVID-19 Conversation Continues in Line Items

Exclusive Online Coverage from *Fiscal Notes*

Texas collegiate teams salvaging what's left of the minor-league baseball season in Amarillo; Texas community colleges preparing for the challenge of COVID-19 this fall; the vital role of telemedicine in the crisis; how Texans are safely volunteering and celebrating life's achievements — learn how Texans around the state are persevering during the global pandemic. You can read all about it in *Line Items*, the exclusive online feature from *Fiscal Notes*, at **FiscalNotes.org**.



An Unprecedented Challenge

Texas' COVID-19 Economy, By the Numbers

Still trying to get your head around the impact of the pandemic? The May issue of *Fiscal Notes* examines the unprecedented economic crisis challenging Texas and the nation as we deal with the repercussions of COVID-19. Learn how the sharpest downturn since the Great Depression is affecting several key industries as well as state government. We track changes in major tax revenue streams over time and discuss how the Legislature dealt with the Great Recession of 2011-12. There's also an in-depth look at record unemployment and the response by the Texas Workforce Commission; find them at **FiscalNotes.org**.

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To say there's a lot going on these days is a huge understatement. But there's no understating the need to stay informed. As it has for the past 45 years, *Fiscal Notes* continues to produce straightforward, fact-filled examinations and unbiased, objective analyses of issues and trends affecting Texas state government and the economy. Find our subscription link at **FiscalNotes.org** and be among the first each month to get the publication sent to your inbox. There's too much happening — and too much riding on our responses — not to know all we can, as soon as we can.

State Revenue Watch

This table presents data on net state revenue collections by source. It includes most recent monthly collections, year-to-date (YTD) totals for the current fiscal year and a comparison of current YTD totals with those in the equivalent period of the previous fiscal year.

These numbers were current at press time. For the most current data as well as downloadable files, visit **comptroller.texas.gov/transparency.**

Note: Texas' fiscal year begins on Sept. 1 and ends on Aug. 31.

NET STATE REVENUE — All Funds Excluding Trust

(AMOUNTS IN THOUSANDS)

Monthly and Year-to-Date Collections: Percent Change From Previous Year

Tax Collections by Major Tax	JULY 2020	YEAR TO DATE: TOTAL	YEAR TO DATE: CHANGE FROM PREVIOUS YEAR
SALES TAX	$2,983,893	$31,279,359	0.78%
PERCENT CHANGE FROM JULY 2019	4.33%		
MOTOR VEHICLE SALES AND RENTAL TAXES	465,590	4,347,027	-3.88%
PERCENT CHANGE FROM JULY 2019	-3.72%		
MOTOR FUEL TAXES	304,212	3,237,736	-5.22%
PERCENT CHANGE FROM JULY 2019	-2.20%		
FRANCHISE TAX	3,067,890	4,169,768	4.76%
PERCENT CHANGE FROM JULY 2019	8,726.28%		
OIL PRODUCTION TAX	186,683	3,010,729	-14.74%
PERCENT CHANGE FROM JULY 2019	-40.25%		
INSURANCE TAXES	958,708	2,592,459	14.87%
PERCENT CHANGE FROM JULY 2019	35.65%		
CIGARETTE AND TOBACCO TAXES	120,219	1,184,674	-4.35%
PERCENT CHANGE FROM JULY 2019	-6.90%		
NATURAL GAS PRODUCTION TAX	36,852	940,433	-40.60%
PERCENT CHANGE FROM JULY 2019	-71.43%		
ALCOHOLIC BEVERAGES TAXES	110,144	1,056,285	-15.95%
PERCENT CHANGE FROM JULY 2019	-6.23%		
HOTEL OCCUPANCY TAX	33,636	439,766	-23.59%
PERCENT CHANGE FROM JULY 2019	-41.61%		
UTILITY TAXES[1]	85,080	418,369	1.54%
PERCENT CHANGE FROM JULY 2019	1.32%		
OTHER TAXES[2]	18,386	247,373	-18.48%
PERCENT CHANGE FROM JULY 2019	-38.97%		
TOTAL TAX COLLECTIONS	**$8,371,292**	**$52,923,978**	**-2.20%**
PERCENT CHANGE FROM JULY 2019	**59.27%**		

Revenue By Source	JULY 2020	YEAR TO DATE: TOTAL	YEAR TO DATE: CHANGE FROM PREVIOUS YEAR
TOTAL TAX COLLECTIONS	$8,371,292	$52,923,978	-2.20%
PERCENT CHANGE FROM JULY 2019	59.27%		
FEDERAL INCOME	5,888,758	54,047,939	38.66%
PERCENT CHANGE FROM JULY 2019	59.01%		
LICENSES, FEES, FINES AND PENALTIES	565,735	5,629,145	-3.86%
PERCENT CHANGE FROM JULY 2019	7.41%		
STATE HEALTH SERVICE FEES AND REBATES[3]	1,115,194	7,054,908	1.37%
PERCENT CHANGE FROM JULY 2019	14.78%		
NET LOTTERY PROCEEDS[4]	246,934	2,198,252	-6.43%
PERCENT CHANGE FROM JULY 2019	17.30%		
LAND INCOME	78,125	1,717,944	-18.06%
PERCENT CHANGE FROM JULY 2019	-58.81%		
INTEREST AND INVESTMENT INCOME	306,933	2,348,451	1.01%
PERCENT CHANGE FROM JULY 2019	83.59%		
SETTLEMENTS OF CLAIMS	2,486	620,132	13.97%
PERCENT CHANGE FROM JULY 2019	10.73%		
ESCHEATED ESTATES	250,838	660,804	1.16%
PERCENT CHANGE FROM JULY 2019	32.57%		
SALES OF GOODS AND SERVICES	18,443	220,106	-16.98%
PERCENT CHANGE FROM JULY 2019	-31.80%		
OTHER REVENUE	206,744	1,634,546	-52.87%
PERCENT CHANGE FROM JULY 2019	-59.05%		
TOTAL NET REVENUE	**$17,051,482**	**$129,056,206**	**9.73%**
PERCENT CHANGE FROM JULY 2019	**45.14%**		

[1] Includes public utility gross receipts assessment, gas, electric and water utility tax and gas utility pipeline tax.

[2] Includes taxes not separately listed, such as taxes on oil well services, coin-operated amusement machines, cement and combative sports admissions as well as refunds to employers of certain welfare recipients.

[3] Includes various health-related service fees and rebates that were previously in "license, fees, fines and penalties" or in other non-tax revenue categories.

[4] Gross sales less retailer commission and the smaller prizes paid by retailers.

Notes: Totals may not add due to rounding.

Excludes local funds and deposits by certain semi-independent agencies.

Includes certain state revenues that are deposited in the State Treasury but not appropriated.

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