



Primary Sources of County Road Funding

Notie Lansford
Extension Economist

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Introduction

Funding for county road and bridge construction, improvement, and/or maintenance in Oklahoma comes from a variety of sources including federal, state, and local sources. The vast majority of county road funding typically comes from five state excise taxes: (1) gasoline, (2) diesel, (3) special fuels, (4) gross production, and (5) motor vehicle license and registration. These are the subject of this fact sheet. Counties also receive varying amounts of federal matching funds, state revolving funds, Federal Emergency Management Agency (FEMA) funds, and local funding such as that raised with a county option sales tax. These are not discussed here. The purpose of this fact sheet is to explain the tax levies and apportionment of tax collections pertaining to the five State of Oklahoma excise taxes listed above and explained below.

Overview

Gasoline, diesel, and special fuels taxes are a specified amount per gallon defined by statute. Hence, motor fuel tax collections vary according to the number of gallons sold. The gross production tax is a certain percentage of the total value of production. The amount of gross production tax generated depends on both the amount of production and the price per unit, such as price per barrel of oil or price per thousand cubic feet of natural gas. Motor vehicle license and registration fees depend upon the type, age, use, and value of the vehicle. It should also be noted that there are a number of exemptions

from these taxes. For example, state and federal government are exempt from license fees and gasoline taxes.

These taxes are collected by the Oklahoma Tax Commission (OTC) and apportioned according to statute. The laws authorize OTC to apportion monies to the State's general fund, Department of Transportation, cities, schools, and counties among others. Each county receives a set proportion of the gross production tax generated within its borders. The motor fuel and vehicle excise taxes are apportioned to counties for county roads according to formulas that take into account the number of miles of county roads, the land area of the county, and the population. Some formulas also consider county bridges, terrain, and traffic volume. A detailed discussion of each tax follows.

Table 1 provides an illustration of the relative size of each of the excise taxes discussed in this fact sheet and the share received by counties for roads for fiscal year 2003. Vehicle license and registration fees provide by far the largest dollar amount of state collections and the second largest source to counties for roads. Gross production taxes provide a relatively large number of dollars to the state but relatively fewer of these dollars are returned to the counties. Motor fuel taxes, principally gasoline taxes, provide the largest source of county funds for roads. Among these, special fuels, are by far the smallest source.

Table 1. Selected excise taxes and fees collected by the State of Oklahoma and the portion remitted to counties for use on county roads and bridges, fiscal year 2003.

FY 2003	Statewide Collections	To Counties for Roads and Bridges	Percent of Collections to Counties for Roads
Gross Production Severance Tax	592,896,596.01	43,762,800.23	7%
Vehicle Taxes & Licenses	710,120,329.37	80,416,161.36	11%
Motor Fuel Taxes			
Gasoline	295,443,382.40	93,748,061.28	32%
Special Fuel	153,588.98	52,000.67	34%
Diesel	161,855,366.42	26,845,498.91	16%
Special Fuel Decals	299,390.00	-	0%
Motor Fuel Special Assessment Fee	30,615,276.22	-	0%

Source: Oklahoma Tax Commission Annual Report

Gasoline Tax

Since 1987 when the Oklahoma legislature passed an additional six cents per gallon, the gasoline excise tax has been a total of 16 cents per gallon. An additional one cent per gallon assessment (referred to as motor fuel special assessment fee in Table 1) was begun in 1989 bringing the total Oklahoma tax per gallon to \$.17. The \$0.17 per gallon tax applies both to gasoline purchased in Oklahoma and in certain cases, gasoline "imported" into Oklahoma. Table 2 shows the distribution of the gasoline tax. Notice that four lump-sums or percents are taken "off the top" before additional tax revenues are apportioned to other funds, including county funds.

Out of the 16-cent tax, \$.0582 actually goes to counties for roads and bridges. Table 2, Formula 1 shows that almost half of the counties' \$.0582 is apportioned using a formula whose components are county road mileage, population, and land area. Road mileage determines more of the apportionment in this case than in Formula 2. Formula 2 equally apportions funds based on the three factors but instead of the latest Bureau of the Census population, as used in Formula 1, Formula 2 calls for using of the "rural population," the sum of a county's population living in places of less than 5,000 people. Formula 3 is even more complex. It is used to compute a county's proportionate share, commonly called a "county road factor" or CR factor. Its computation includes collector miles of county road, the county's bridge factor, average daily vehicle miles on county roads, and an adjustment for differing road maintenance costs for differing terrain among counties. Smaller portions of the counties' share of the gasoline excise tax, 3.125% and 2.625% of it, are distributed to counties based on the CR factor and the county bridge (CB) factor, respectively. The CB factor, like the CR factor, is derived by the Oklahoma Department of Transportation.

Diesel

The total state diesel tax is \$.13 per gallon with \$.044551 of the \$.13 designated for county road and bridge construction and maintenance (Table 3). Table 3 shows four formulas that are used to distribute 26.58% of the diesel excise tax. Formulas 2, 3, and 4 are identical to formulas 1, 2, and 3, respectively, regarding the gasoline excise tax (Table 2). Diesel apportionment formula 1 uses population and land area in equal proportions. Apportionment of the diesel excise tax continues to be very similar to that of the gasoline excise tax as one examines distribution of the 3.85% that the commissioners "may" deposit and the 3.84% that "shall" be deposited into the County Bridge and Road Improvement of the State. The 3.85% is apportioned using the counties' CR factors and the 3.84% is apportioned using the counties' CB factors. These are the same factors used to apportion the last two components of the gasoline excise tax to counties.

Special Fuel Excise Tax

Special fuels are defined by statute as all combustible gases and liquids, including liquefied gases, which exist in the gaseous state at a temperature of 60° F (such as butane and propane). The total tax is \$.16 per gallon with \$.047825 per gallon going to counties for road and bridge construction and maintenance (Table 4). The special fuel tax applies to imported special fuel, as well as that sold in Oklahoma. As noted at the

bottom of Table 4 and further illustrated in Table 1, the dollar amount of special fuel tax collections is relatively small, so a detailed discussion of each apportionment component is not presented in this fact sheet. However, the necessary statute references to investigate the apportionment details are all presented in Table 4.

Gross Production Tax

Beginning June 30, 2004, gross production tax revenues are again generated by a 7% levy on the value of production of oil and gas and a tax levy of 0.75% of the gross value of asphalt and ores bearing lead, zinc, jack, gold, silver and copper. Between January 1, 1999 and June 30, 2004, lower tax rates were applied depending upon the price of oil or gas. These lower rates were applicable, for example, when the price per barrel of crude fell below \$17.00 and when the price per mcf of gas fell below \$2.10. As stated above, these provisions expired June 30, 2004. At one time, counties received a portion of gross production taxes directly proportional to the value of current production. As shown in Table 5 below, counties now receive their share of this tax based on the county's proportionate share of production value in the corresponding month of the preceding year. Conversely, counties with little or no production receive little or no gross production tax revenue. In addition to the levy described above, the State of Oklahoma levies an additional gross production tax on oil and gas of 0.085% (68 O.S. §§ 1101-1102). None of this tax is apportioned to counties.

Table 5 details the apportionment of the gross production taxes. Of the levy collected on gas and asphalt and ores, 7.14% is apportioned to counties. Each county's proportion is based upon the proportion of the total value of production from the county in the corresponding month of the preceding year (68 O.S., § 1004). Of the levy collected on oil production, 4.28% is apportioned to the County Bridge and Road Improvement Fund of the State and 7.14% is apportioned to county highway funds. The 4.28% is apportioned using the CB factors discussed previously, hence all counties share it. The 7.14% is apportioned like the gas and ores revenues – proportionate to a county's value of production in the preceding year. Hence, gross production taxes to counties are principally based upon their recent production history. If production declines relative to state production, their share of gross production revenue will decline. Whether the dollar amount of revenue increases or decreases will depend upon the current value of production.

Motor Vehicle License and Registration Fees

There are a wide variety of license and registration fees that apply to the various categories of motor vehicles. Generally speaking, these taxes vary according to type, age, value, and use of the vehicle. For example, an excise tax of 3.75% of value is levied on new passenger vehicle sales. For used passenger vehicle sales, an excise tax of \$20 on the first \$1,500 of value plus 3.75% on the remaining value is levied (68 O.S. 2003 § 2103). Furthermore, passenger vehicles pay an annual fee of \$15 to \$85 depending upon the age of the vehicle. Commercial vehicles pay a general license fee ranging from \$95 to \$1,078 per year depending upon the weight

of the vehicle (47 O.S. 2003 § 1133). There are additional fees levied on vehicles annually (such as those detailed in 47 O.S. 2003 §§ 1132, 1132.1, 1132.4, 1132.5) but these additional fees are not apportioned as described here and in Table 6. Of the applicable excise, license, and registration fees levied, whose distribution includes an apportionment to county roads, 13.45% are returned to counties for construction and maintenance of roads and bridges (Table 6). More than half of this revenue is allocated using the 40%, 30%, and 30% weighting method described earlier (Formula 1 for gasoline taxes and Formula 2 for diesel taxes). See also Table 6.

The remaining license and registration revenue designated to counties (46.17% of the 13.45% of the license and registration tax revenues described in Formulas 2 and 3 of Table 6) is apportioned according to the Oklahoma Department of Transportation county road factors. Recall that these are the factors derived from a formula that considers county collector miles (20% weight), vehicles miles of travel (20% weight), and the bridge factor (60% weight) to derive a preliminary apportionment factor. This apportionment factor for each county is then adjusted for terrain. In the case of motor vehicle and registration tax revenues, the CR factors are used to place some of a county's share into a special revenue fund (cash fund) for the commissioners to use on roads and the remainder is apportioned to the county highway fund (Table 6).

Note that Table 6, items 1, 2, 4, 5, and 6 are to receive an amount "not less than the dollar amount received in the previous year." When the license and registration fees were completely redefined in 2000, the annual registration fees were reduced to the extent that many counties, schools, and cities were going to receive less money than previously received. So, the legislature amended the allocation statute to insure that counties, schools, and cities would receive no less money even if the formulas indicated a reduction (47 O.S. § 1104 M). Consequently, these local governments have benefited and the State general fund makes up the difference.

Exemptions

There are a number of exemptions specified for each of the excise taxes. Comprehensive coverage of these exemptions is beyond the scope of this paper but a brief summary

is presented along with statute references. The exemptions from gasoline, special fuel, and diesel taxes are quite similar, allowing them to be discussed as a group. Gross production and motor vehicle tax exemptions are addressed individually.

The following is a partial listing of motor fuel excise tax exemptions (all found in 68 O.S. 2003 §§ 500.10, 500.13):

- (1) Exported motor fuel distributors.
- (2) Fuel used in aircraft engines except the \$0.0008 per gallon per § 500.4, subsection B.
- (3) Fuel used in farm tractors or stationary engines exclusively for agricultural purposes.
- (4) Fuel used in official uses of recognized Indian tribes, local, state, and federal governments including public schools, FFA, 4-H, volunteer fire departments, rural electric cooperatives, rural water and sewer districts, and rural ambulance service district.

There are several specific exemptions from the gross production tax: secondary recovery properties (for up to five years), tertiary recovery projects (not to exceed ten years), certain horizontal well production (not to exceed four years), and incremental production resulting from a production enhancement project (not to exceed twenty-eight months). These exemptions are limited to the project payback period or the specified time period, whichever is less. These exemptions are found in 68 O.S. 2003 §1001.

Finally, motor vehicle license and registration fee exemptions are granted to people who don't live in Oklahoma but commute into Oklahoma to work and to certain special mobilized machinery. These are found in 47 O.S. 2003 §§1125 and 1129. Furthermore, some farm trucks and trailers are exempt or are subject to special license and registration fees. These can be found in 47 O.S. 2003 § 1134.

Acknowledgments.

This fact sheet is an update of the original fact sheet co-authored with Dolores Willett in 1992. Thanks are also expressed to Randy Robinson, Transportation Engineer, Association of County Commissioners of Oklahoma, for significant assistance with this update.

Table 2. Apportionment of the \$.16/gallon Gasoline Excise Tax Monies.

First,

- | | |
|---|------------------|
| 1. Up to 4.5% to Native American tribes. | 68 O.S. § 500.63 |
| 2. \$3,000 per month to Oklahoma Aeronautics Revolving Fund | 3 O.S. § 91 |
| 3. \$250,000 per month to State Transportation Fund | 68 § 500.6 |
| 4. \$200,000 per year to Education Reform Revolving Fund | 68 O.S. § 500.6 |

Then,

- | | |
|---|-----------------|
| 1. 1.625% to General Fund of the State Treasury | 68 O.S. § 500.6 |
| 2. 63.75% to State Transportation Fund | 68 O.S. § 500.6 |
| 3. 27.00% to the various counties for county roads & bridges | 68 O.S. § 500.6 |
| 4. 3.125% to the various counties for county roads & bridges | 68 O.S. § 500.6 |
| 5. 2.625% to County Bridge and Road Improvement Fund of the State | 68 O.S. § 500.6 |
| 6. 1.875% to cities and towns | 68 O.S. § 500.6 |

The 27.00% to various counties for county roads and bridges is sent to county treasurers for deposit in the county highway fund based on three different formulas (68 O.S. § 500.6):

Formula 1

- 65.3% of the 27.00% is apportioned based on county road miles, population, and land area, specifically:
 - 40% based on county road mileage relative to the statewide sum of county road mileage
 - 30% based on county population relative to statewide population (Bureau of the Census)
 - 30% based on county land area relative to statewide land area

Formula 2

- 23.1% of the 27.00% is apportioned based on rural population, road miles, and land area, specifically:
 - 1/3 based on the county rural population relative to statewide rural population¹
 - 1/3 based on county road mileage relative to the statewide sum of county road mileage
 - 1/3 based on county land area relative to statewide land area

Formula 3

- 11.6% of the 27.00% is apportioned based on a formula similar to that for County Bridge Program funds but also considering terrain and traffic volume.

County commissioners may resolve to have this money deposited in the County Bridge and Road Improvement Fund maintained by the State Treasury.

An apportionment factor is multiplied by a terrain factor to determine a county's portion of this funding.

The apportionment factor is derived by using 20% of a county's percent of statewide collector miles plus 60% of a county's bridge factor plus 20% of a county's percent of statewide average daily vehicle miles of travel. These components are provided by the State Department of Transportation.

The terrain factor is computed based on a county's average terrain relative to the statewide average, adjusted for variation in average statewide maintenance costs across the range of terrain types. More detail on this complex procedure may be obtained from the author or the Oklahoma Department of Transportation, Local Government Division. The county apportionment factor is commonly referred to as the county road (CR) factor. CR factors for each county are available from the Oklahoma Department of Transportation.

¹ Rural population includes municipalities with a population less than 5,000 in the latest Federal Decennial Census.

The 3.125% distributed to counties is also distributed based on "Formula 3," that is, based on the CR factor. Moreover this money is not remitted directly to the county but "shall" be deposited into the County Bridge and Road Improvement Fund. Each county has its apportioned amount in this fund and may use it for the purposes set forth in the County Bridge and Road Improvement Act (69 O.S., § 665).

The 2.625% of the gasoline tax levy is also deposited in the County Bridge and Road Improvement Fund of the State Treasury to be used for the purposes set forth in the County Bridge and Road Improvement Act. It is distributed to counties using the county bridge (CB) factors derived by the Department of Transportation in the early 1980s. CB factors are available from the author and the Oklahoma Department of Transportation.

Table 3. Apportionment of the \$.13/gallon Diesel Excise Tax Monies.

First,

- | | |
|---|------------------|
| 1. Up to 4.5% to Native American tribes. | 68 O.S. § 500.63 |
| 2. \$83,333.33 per month to the State Transportation Fund | 68 § 500.7 |

Then,

- | | |
|--|-----------------|
| 1. 1.39% to General Fund of the State Treasury | 68 O.S. § 500.7 |
| 2. 64.34% to State Transportation Fund | 68 O.S. § 500.7 |
| 3. 26.58% to the various counties for county roads & bridges | 68 O.S. § 500.7 |
| 4. 3.85% to the various counties for county roads & bridges | 68 O.S. § 500.7 |
| 5. 3.84% to County Bridge and Road Improvement Fund of the State | 68 O.S. § 500.7 |

The 26.58% to the various counties for county roads and bridges is sent to county treasurers for deposit in the county highway fund based on four different formulas (68 O.S. § 500.7).

Formula 1

- 42.1% of the 26.58% is apportioned based on county population and land area, specifically:
 - 50% based on county population relative to statewide population (Bureau of the Census)
 - 50% based on county land area relative to statewide land area

Formula 2

- 14.5% of the 26.58% is apportioned based on county road miles, population, and land area, specifically:
 - 40% based on county road mileage relative to the statewide sum of county road mileage
 - 30% based on county population relative to statewide population (Bureau of the Census)
 - 30% based on county land area relative to statewide land area

Formula 3

- 28.9% of the 26.58% is apportioned based on rural population, road miles, and land area, specifically:
 - 1/3 based on the county rural population relative to statewide rural population¹
 - 1/3 based on county road mileage relative to the statewide sum of county road mileage
 - 1/3 based on county land area relative to statewide land area

Formula 4

14.5% of the 26.58% is apportioned based on a formula similar to that for County Bridge Program funds but also considering terrain and traffic volume.

Counties commissioners may resolve to have this money deposited in the County Bridge and Road Improvement Fund maintained by the State Treasury.

An apportionment factor is multiplied by a terrain factor to determine a county's portion of this funding.

The apportionment factor is derived by using 20% of a county's percent of statewide collector miles plus 60% of a county's bridge factor plus 20% of a county's percent of statewide average daily vehicle miles of travel.

The terrain factor is computed based on a county's average terrain relative to the statewide average, adjusted for variation in average statewide maintenance costs across the range of terrain types. More detail on this complex procedure may be obtained from the authors or the Oklahoma Department of Transportation, Local Government Division. The final county apportionment factor is commonly referred to as the county road (CR) factor.

¹ Rural population includes municipalities with a population less than 5,000 in the latest Federal Decennial Census.

The 3.85% distributed to counties is distributed based on the same "Formula 3" discussed above. This money is not remitted directly to the county highway fund unless the county commissioners resolve to have it deposited into the County Bridge and Road Improvement Fund. Each county has its apportioned amount and may use it for the purposes set forth in the County Bridge and Road Improvement Act.

The 3.84% of the diesel tax levy is deposited in the County Bridge and Road Improvement Fund of the State Treasury to be used for the purposes set forth in the County Bridge and Road Improvement Act. It is distributed to counties using the county bridge (CB) factors derived by the Department of Transportation in the early 1980s.

Table 4. Apportionment of the \$0.16 per Gallon Special Fuel Excise Tax Levy

The state statutes detailing the apportionment of the special fuels levies are challenging to understand, largely because separate portions of the \$ 0.16 are addressed in different sections of title 68. Presented below is a condensed summary of statutory allocations. To begin, note that just as Title 68, sec. 500.6 provides for lump sum allocations of the gasoline tax, so Title 68, sec. 707.2 provides for identical allocations off the top, specifically:

\$250,000 per month to the State Transportation Fund and
\$200,000 per year to the Education Reform Revolving Fund

Then,

- | | |
|--|---|
| 1. 1.22656% apportioned to the State General Fund. | 68 O.S. § 704, 707.1, 707.2 |
| 2. 68.76563% apportioned to the State Transportation Fund | 68 O.S. § 704, 707.1, 707.2, 707.3 |
| 3. 26.60156% apportioned to the County Highway Fund | 68 O.S. § 704, 705, 707.1, 707.2, 707.3 |
| 4. 3.28906% apportioned to the County Bridge and Road Improvement Fund | 68 O.S. § 707.1, 707.2 |
| 5. 0.11719% to cities and towns | 68 O.S. § 707.2 |

The apportionments to counties are accomplished by a set of formulas virtually identical, if not identical, to the formulas used for gasoline and diesel apportionments to counties. They are all based on county population, county road mileage, and county land area. The details of the formulas are found in the cited statutes. Because such formulas have been stated earlier in this paper and because the dollar amount to counties from special fuels taxes is quite small relative to the others discussed in this paper (see Table 1), they will not be detailed here.

Table 5. Apportionment of Gross Production Taxes

There are essentially three gross production taxes. One is the 0.75% tax on the value of production of asphalt and certain ores. Second is the 7% tax on the value of production of natural gas. Third is the 7% tax on the value of production of oil. The first and second gross production taxes are apportioned in the same way. These two are addressed first, followed by apportionment of the tax on oil production.

Apportionment of gross production taxes on asphalts, ores, and gas.

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|--|----------------|
| 1. 85.72% is apportioned to the General Revenue Fund of the state | 68 O.S. § 1004 |
| 2. 7.14% is apportioned to the various counties' County Highway Fund | 68 O.S. § 1004 |
| 3. 7.14% is apportioned to the various school districts | 68 O.S. § 1004 |

Regarding the county highway fund apportionment, the statute states that "each county shall receive a proportionate share of the funds available based upon the proportion of the total value of production from such county in the corresponding month of the preceding year." Hence, apportionment of funds is directly tied to historical production.

Apportionment of gross production taxes on oil.

- | | |
|--|----------------|
| 1. 25.72% is apportioned to the state's Common Education Technology Revolving Fund. | 68 O.S. § 1004 |
| 2. 25.72% is apportioned to the state's Higher Education Capital Revolving Fund | 68 O.S. § 1004 |
| 3. 25.72% is apportioned to the Oklahoma Tuition Scholarship Revolving Fund | 68 O.S. § 1004 |
| 4. 4.28% is apportioned to the County Bridge and Road Improvement Fund of the State Treasury | 68 O.S. § 1004 |
| 5. 4.28% is apportioned to the Oklahoma Water Resources Board Rural Economic Action Plan Water Projects Fund | 68 O.S. § 1004 |
| 6. 7.14% is apportioned to the various counties' County Highway Fund | 68 O.S. § 1004 |
| 7. 7.14% is apportioned to the various school districts | 68 O.S. § 1004 |

The 4.28% to the County Bridge and Road Improvement Fund is apportioned to individual counties based on the CB factor discussed above. In this case, all counties share in the gross production tax.

The 7.14% apportioned to County Highway Funds divided among counties proportionate to "the total value of production from such county in the corresponding month of the preceding year." Hence, each county gets an allocation that is directly linked to value of production within the county, albeit historical production.

Table 6. Apportionment of Vehicle License and Registration Fees / Taxes

The first \$100,000 collected pursuant to the registration of motorcycles and mopeds shall be placed in the Oklahoma Tax Commission Revolving Fund.

1. 36.20% apportioned to the various schools districts but not less than the dollar amount received the preceding year.	47 O.S. § 1104
2. 44.84% apportioned to the General Revenue Fund of the State but may be less in order to sustain preceding year levels for schools, counties, cities, and towns	47 O.S. § 1104
3. 0.31% apportioned to the State Transportation Fund	47 O.S. § 1104
4. 13.45% apportioned to the various counties for county roads but not less than the dollar amount received the preceding year.	47 O.S. § 1104
5. 0.83% apportioned to the various counties' general fund but not less than the dollar amount received the preceding year.	47 O.S. § 1104
6. 3.10% apportioned to the various cities and incorporated towns but not less than the dollar amount received the preceding year.	47 O.S. § 1104
7. 1.24% apportioned to the OK Law Enforcement Retirement Fund	47 O.S. § 1104
8. 0.03% apportioned to the state Wildlife Conservation Fund	47 O.S. § 1104

The 13.45% to the various counties for county roads and bridges is sent to county treasurers for deposit in the appropriate fund based on three different formulas (47 O.S. § 1104).

Formula 1

53.8289962% of the 13.45% is apportioned to the county highway fund based on county road miles, population, and land area, specifically:

- 40% based on county road mileage relative to the statewide sum of county road mileage
- 30% based on county population relative to statewide population (Bureau of the Census)
- 30% based on county land area relative to statewide land area

Formula 2

19.2565055% of the 13.45% is apportioned based on the CR factor to a special revenue fund to be used by county commissioners on roads. The CR factors were discussed in detail previously. (Please see Formula 3 for gasoline taxes or Formula 4 for diesel taxes.)

Formula 3

26.9144981% of the 13.45% is apportioned to the county highway fund based on the CR factor. (Again, see Formula 3 for gasoline taxes or Formula 4 for diesel taxes.)

The Oklahoma Cooperative Extension Service Bringing the University to You!

The Cooperative Extension Service is the largest, most successful informal educational organization in the world. It is a nationwide system funded and guided by a partnership of federal, state, and local governments that delivers information to help people help themselves through the land-grant university system.

Extension carries out programs in the broad categories of agriculture, natural resources and environment; family and consumer sciences; 4-H and other youth; and community resource development. Extension staff members live and work among the people they serve to help stimulate and educate Americans to plan ahead and cope with their problems.

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- It is administered by the land-grant university as designated by the state legislature through an Extension director.
- Extension programs are nonpolitical, objective, and research-based information.
- It provides practical, problem-oriented education for people of all ages. It is designated to take the knowledge of the university to those persons who do not or cannot participate in the formal classroom instruction of the university.
- It utilizes research from university, government, and other sources to help people make their own decisions.
- More than a million volunteers help multiply the impact of the Extension professional staff.
- It dispenses no funds to the public.
- It is not a regulatory agency, but it does inform people of regulations and of their options in meeting them.
- Local programs are developed and carried out in full recognition of national problems and goals.
- The Extension staff educates people through personal contacts, meetings, demonstrations, and the mass media.
- Extension has the built-in flexibility to adjust its programs and subject matter to meet new needs. Activities shift from year to year as citizen groups and Extension workers close to the problems advise changes.

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