

(Continued)

The study by the Public Affairs Research Council (PAR) examined 11 Southern states, all of which are among the 20 lowest tax states in the country. PAR used a model that applied actual tax burdens to hypothetical manufacturing concerns. In that comparison, Oklahoma consistently ranked among the states with the lowest manufacturing tax burdens. Some of the PAR findings included:

—Oklahoma was the only state not to impose start-up sales tax costs on new manufacturers, a significant incentive for new industry.

—Oklahoma's total state and local tax liability for the average manufacturing concern is only \$132,489 per year, 8.5 percent lower than the southern state average.

—Oklahoma's tax burden for the average manufacturer was lower than the adjacent southern states (Texas, Louisiana, Arkansas).

"The numbers tell us that Oklahoma's tax structure is very competitive when it comes to attracting manufacturing, the most sought after industry. This is further evidence that Oklahoma is a low tax state with a very business friendly environment," said Senator Hobson.

Oklahoma also fares well in overall comparisons of business taxes. For example, when it comes to the two most significant taxes imposed on industry, the corporate income tax and property tax, Oklahoma ranks among the lowest in the nation. Oklahoma is 48th in property taxes and 43rd in corporate taxes. In overall per capita state and local taxes, Oklahoma ranks 44th.

"The lesson of all these statistics is that Oklahoma is already in good shape when it comes to taxes. We can't get much lower. If taxes alone were the key to economic development, Oklahoma would already be the richest state in the country. If we really want to improve our state, we have to focus our energies and resources elsewhere, namely on education," said Senator Hobson.

"Every expert we've heard from has said Oklahoma needs to beef up its education system to be economically competitive. That's what we're trying to do this year, but apparently, there are still a few skeptics out there who don't understand the importance of education in the big picture of economic development," said Senator Hobson.

## HCFA BEGINS NEW FLEXIBLE SURVEY PROCESS FOR SOME CLINICAL LABS

From U.S. Department of Health and Human Services

■(WASHINGTON) The Health Care Financing Administration has begun using a new flexible survey process which is in effect for some clinical laboratories with excellent performance records.

The self-evaluation procedure, called the Alternate Quality Assessment Survey, is designed to be used by certain laboratories for recertification purposes under the Clinical Laboratory Improvement Amendments of 1988 (CLIA) in lieu of an on-site survey. HCFA has begun recertifying laboratories with exceptional past performance by allowing them to complete a self-survey questionnaire.

To supplement the new survey process, no laboratory will go longer than four years without an on-site survey. HCFA also will perform, every two years, random on-site surveys of a 5 percent sample of laboratories that are using the new survey process to verify its effectiveness.

"This flexible survey process supports last year's regulatory reform initiative by Vice President Gore to improve the CLIA program," said HCFA Administrator Bruce C. Vladeck. "It rewards labs with good performance by using a self-assessment format."

"The survey form contains questions that reflect an outcome-oriented, quality improvement type of assessment," Vladeck said. "The form's questions are patterned after the quality assurance requirement of CLIA regulations."

CLIA sets uniform quality standards for clinical laboratories. The laboratories that conduct moderately or highly complex tests must be surveyed and recertified by HCFA every two years

(Continued)