

Advocate Legislative Bulletin

01-24

February 9, 2024

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The Advocate is published by the Oklahoma Municipal	
League. Forward your	
comments or suggestions to:	
Oklahoma Municipal League 201 N.E. 23rd Street OKC, OK 73105	
Phone: 1-800-324-6651 /	
405-528- 7515	
Fax: 405-528-7560	
Email: leslie@oml.org	
Internet: www.oml.org	



SECOND SESSION OF THE 59TH LEGISLATURE IS UNDERWAY

Welcome to the first issue of the Oklahoma Municipal League's 2024 weekly Legislative Advocate. The Advocate is intended to give you a brief look at important issues facing cities and towns during the legislative process. With nearly 2,051 bills filed and 2,500 carryover bills in the Oklahoma Legislature this year this session looks to be one of significant interest to municipal governments. There are proposals to remove the state's portion of sales tax on groceries, preemption, and tax policy.

Governor Kevin Stitt unveiled his proposals for the upcoming legislative session in his 2024 State of the State. One of his points was to call on local governments to join him in the effort to be the most business-friendly state in the nation. "If our local governments are levying huge permitting fees or delaying projects, it will chill investment and cause companies to look elsewhere." <u>Click the link to read the rest of his speech.</u>

Your OML Governmental Affairs team has combed through each piece of legislation filed and we are working diligently to contact legislators and advocate municipal priorities on these bills. We will continue to provide updates in the OML Advocate each Friday throughout the session. If you have questions at any time, please contact our office. Please pass along any concerns, ideas, or correspondence about legislation you have to Leslie Blair, Director of Communications and Legislative Affairs, at leslie@oml.org, or 405-528-7515.

GROCERY SALES TAX EXEMPTION PROPOSALS FILED

The effort to remove the state portion of sales tax on groceries continues. They are currently not on any agendas; however, we will keep you posted when they do. <u>SB 1283</u> by Pro Tempore Greg Treat (R-OKC) that requires on or after the effective date of this act, an excise tax to be zero percent (0%) imposed upon all retail sales of food and food ingredients sold for human consumption off the premises where sold. Any sales tax or excise levied by a city, town, county, or any other jurisdiction in this state upon sales of food and food ingredients shall be in effect regardless of ordinance or contractual provisions referring to previously imposed state sales tax on the items. <u>SB 1483</u> by Sen. Shane Jett (R-Shawnee) also requires the excise tax to be zero percent (0%) but does not have the same language regarding municipal ordinances or contractual provisions.

OML'S PRIORITIES

Medical Marijuana/Certificate of Compliance:

SB 1635 by Sen. Bill Coleman (R-Ponca City) allows a licensee who has submitted to OMMA showing full compliance as outlined by law, to only need to submit an affidavit for license renewal stating the premises continues to comply with zoning classifications, applicable municipal ordinances, and all applicable safety, electrical, fire, plumbing, waste, construction and building specification codes. An additional certificate of compliance (COC) along with an affidavit shall be submitted if a change of use or occupancy occurs. Municipalities may implement an inspection program to verify compliance with this subsection. OMMA shall promulgate rules necessary for the affidavit. If an application for renewal is submitted in violation or information provided on the affidavit is inaccurate or untrue, OMMA shall suspend operations of the licensee's premises until compliance reestablished.

The bill has been assigned to the Senate Business and Commerce Committee.

HB 3355 by Rep. T.J. Marti (R-Broken Arrow) provides an exception to certificate of compliance if the application for renewal is submitted with an affidavit stating the premises still comply with classifications, applicable municipal zoning ordinances, and all applicable safety, electrical, fire, plumbing, waste, construction and building specification codes. A certificate of compliance shall be submitted if a change of use or occupancy occurs. Municipalities are authorized to implement an inspection program to verify compliance. OMMA shall create a standard affidavit form. application for renewal is submitted in violation of this subsection or information provided on the affidavit is inaccurate or untrue, OMMA shall suspend operations of the licensee until compliance is reestablished.

The bill has been assigned to the House Alcohol, Tobacco, and Controlled Substances Committee.

Public Safety/Automated License Plate Readers:

SB 1620 by Sen. Bill Coleman (R-Ponca City) authorizes the use of automated license plate reader systems on rights-of-way to aid in criminal investigations or searches for missing endangered persons. Such devices may not interfere with the free and safe flow of traffic, nor may they be used to enforce state or local traffic violations. Automated license plate reader systems may be used to scan and identify vehicles and associated plates to identify stolen vehicles, vehicles involved in an active investigation, vehicles associated with missing or endangered persons, or vehicles that register as a match within the National Crime Information Center or any other relevant database. Law enforcement agencies must confirm the device meets all requirements outlined in the bill as well as adopt a policy governing the use of such a system. Agencies must also obtain a permit from the DOT to use such a system. The measure specifies that, prior to a law enforcement agent confirming the plate, a positive match by an automated license plate reader system shall not constitute reasonable suspicion as grounds for a traffic stop. Recorded vehicles shall be removed from the system within thirty (30) days of being recorded unless the record is a part of an ongoing investigation. Any agency using such devices shall make available to the public a log of such system use updated on a monthly basis that displays the aggregate number of vehicles scanned as well as the policy for using the system.

The bill has been assigned to the Senate Public Safety Committee.

HB 3570 by Rep. Robert Manger (R-OKC) allows the use of automatic license plate readers. Prior to using an automatic license plate reader system, the municipal or state law enforcement agency that intends to use the technology shall: confirm that the automatic license plate reader system meets all requirements of this section; establish a policy governing that includes a training process for the officers that will use it and an auditing schedule to ensure proper use; and obtain a permit from ODOT before installing an automatic license plate reader systems installed on highway rights-of-way. ODOT shall promulgate rules providing for the issuance of permits to law enforcement agencies for license

plate reader systems installed in highway rights-ofway.

The bill has been assigned to the House Public Safety Committee.

Energy Discrimination Elimination Act:

<u>SB 1510</u> by Sen. Chuck Hall (R-Perry) modifies the application of the Energy Discrimination Elimination Act of 2022 by excluding political subdivisions from the requirements of this act.

The bill passed the Senate Energy and Telecommunications Committee on Thursday by a vote of 11 to 0.

<u>HB 4014</u> by Rep. Mark McBride (R-Moore) modifies the application of the Energy Discrimination Elimination Act of 2022 by excluding political subdivisions from the requirements of this act.

The bill has been assigned to the House General Government Committee.

Municipal Sewage Systems:

SB 1650 by Sen. Lonnie Paxton (R-Tuttle) defines "public utility" to mean a municipally owned utility providing sewage services through a sanitary sewer system. The Oklahoma Water Resources Board (OWRB) is required to promulgate rules to require any or all of the following components of public utilities, taking into account available revenue streams to the public utility: 1) mapping and recordkeeping of a sanitary sewer system for maintenance and operation of the system; 2) regular inspections, cleaning, and root control; 3) response within a reasonable time frame to calls for sanitary sewer overflows (SSO) to clear sewer mains, disinfect land upon which SSO has occurred, and remove SSO debris from land upon which SSO has occurred; 4) adoption of a fat oils and grease ordinance (FOG) prohibiting introduction of any fats, oils, or grease from nonresidential entities that are connected to the sanitary sewer system and incorporating pre-treatment regulations for such entities. Public utilities shall periodically notify nonresidential system participants of the restrictions within this paragraph; 5) adoption of an ordinance requiring new construction or remodels of existing buildings to be connected to the sanitary sewer

system, including the installation of a backflow prevention device on the lateral line connecting the structure to the sanitary sewer main line; 6) adoption of a policy advising private residential property owners who are connected to the sanitary sewer system to install a backflow prevention system on the lateral line connecting the property to the sanitary sewer main line. Public utilities shall periodically notify residential customers of the advisement within this paragraph; 7) adoption of funding availability models. Funding availability models shall be reviewed at least every five (5) years to include a rate study recommending reasonable rates for those connected to the sanitary sewer system; and 8) adoption of a five-year capital improvement plan that includes dedication of appropriate funding available. There is hereby recognized that there shall be no right of recovery for personal injury from a sanitary sewer overflow, provided that the utility charged with operation of the sanitary sewer system is working to maintain its sanitary sewer system in accordance with the guidance and criteria promulgated by the Board pursuant to subsection B of this section and any guidelines promulgated criteria or governmental entity under an interlocal cooperative pursuant to Section 1001 et seq. of Title 74 of the Oklahoma Statutes. Beginning on the effective date of this act, a five-year moratorium is hereby established against nuisance-based tort claims relating to the operation of public sanitary sewer systems for cities and towns working toward implementing the policies described in subsection D of this section.

Any claim occurring within five years of November 1, 2024, arising out of the maintenance and operation of public sanitary sewer systems which are deemed in conformance with the requirements of Section 1 of this act as prescribed by the Oklahoma Water Resources Board.

The bill has been assigned to the Senate General Government Committee.

<u>HB 3049</u> by Rep. Brad Boles (R-Marlow) encourages municipalities to maintain and upgrade sewage treatment and delivery systems, as well as to conserve the resources of municipalities for such maintenance or to make such upgrades, including

having adequate funding through OWRB and other governmental avenues. There is no right of recovery for personal injury from a sanitary sewer overflow as long as the owner or operator of the municipal sanitary sewer system is working to maintain its sanitary sewage system. OWRB is required to promulgate standards for operation of municipal sanitary sewer systems. While municipalities qualifying for relief under this section shall be exempt from person injury damage claims of annoyance or inconvenience associated with a sanitary sewer overflow that alleges a nuisancebased cause of action, nothing shall prohibit a right of recovery for property damages associated with a sanitary sewer overflow in accordance with the Governmental Tort Claims Act. The bill places a moratorium against nuisance-based tort claims relating to the operation of municipal sanitary sewer systems for five (5) years from the effective date this act for those municipalities working towards implementing policies: a) mapping recordkeeping policy; b) creating policies for regular inspections, cleaning and root control as set out in paragraph 2 of subsection B of this section; c) funding availability models for operation and maintenance of their municipal sanitary sewer systems as set out in paragraph 7 of subsection B of this section; and adopted a five (5) year capital improvement plan as set out in paragraph 8 of subsection B of this section.

The bill will be heard on Monday, February 12th at 3:00 p.m. in the House County and Municipal Government Committee.

BILLS ON THE MOVE:

Law Enforcement/Criminal Offense: <u>HB 2946</u> by Rep. Steve Bashore (R-Miami) and Sen. Paul Rosino (R-OKC) adds accessory to murder in the first degree or accessory to murder in the second degree to the list of crimes required not to serve less than eighty-five percent (85%).

The bill passed the House Judiciary – Criminal Committee on Thursday by a <u>vote</u> of 9 to 1.

Sales Tax Benefits/Disabled Veterans: <u>HB 2988</u> by Rep. Josh West (R-Grove) removes the date for an individual who is one-hundred percent (100%) disabled to register for the sales tax exemption.

The bill passed the House A&B Committee on Wednesday by a <u>vote</u> of 32 to 0. The bill moves to the House floor.

Competitive Bidding/Corrections: <u>HB 3001</u> by Rep. Rande Worthen (R-Lawton) increases the contract limit for emergencies for the Department of Corrections from Two Hundred Fifty Thousand Dollars (\$250,000) to Five Hundred Thousand Dollars (\$500,000).

The bill passed the House General Government Committee on Monday by a <u>vote</u> of 8 to 0. The bill moves to the House floor.

Law Enforcement/Youthful Offenders/Eluding Officers: <u>HB 3566</u> by Rep. Robert Manger (R-OKC) makes any person who is fifteen (15), sixteen (16) and seventeen (17) who eludes a peace officer be considered a youthful offender.

The bill passed the House Judiciary – Criminal Committee on Wednesday by a <u>vote</u> of 6 to 1.

Sales Tax/Disabled Veteran's Registry: <u>SB 1215</u> by Sen. Brenda Stanley (R-Midwest City) and Rep. Josh West (R-Grove) eliminates the deadline for veterans that received the sales tax exemption to register with the veteran registry in order to continue qualifying for the exemption.

The bill passed the Senate Veterans & Military Affairs Committee on Wednesday by a <u>vote</u> of 10 to 0. The bill moves to the Senate Appropriations Committee.

Sales Tax Exemption/Nonprofit/Homeless: <u>SB</u> 1244 by Sen. Julie Daniels (R-Bartlesville) removes the population threshold on the exemptions for governmental and nonprofit entities providing services to homeless persons. The bill also modifies the date for the exemption for nonprofits helping persons impacted by natural disasters. The exemption is applicable to sales made on or after July 1, 2022.

The bill passed the Senate Finance Committee on Monday with the title stricken by a <u>vote</u> of 9 to 2. The bill moves to the Senate floor.

Sales Tax Rebate/Qualifying Broadband Equipment: SB 1259 by Sen. Roger Thompson (R-Okemah) and Rep. Kevin Wallace (R-Wellston) modifies the deadline for filing rebate claims on equipment used for broadband services. The report shall be filed not later than April 1, 2025, with respect to rebates paid for equipment purchases made during calendar years 2022 and 2023 and April 1 of the second succeeding year for equipment purchases made in subsequent calendar years.

The bill passed the Senate Energy and Telecommunications Committee on Thursday by a <u>vote</u> of 12 to 0. The bill moves to the Senate Finance Committee.

Water/Critical Groundwater Management Area: SB 1341 by Sen. Brent Howard (R-Altus) defines a Critical Groundwater Management Area (CGMA) to be limited to basins in which have had a comprehensive scientific study performed in conjunction with the US Bureau of Reclamation, the US Geological Survey and OWRB. Interference means the interference that occurs when there is a prior appropriation of water rights and a new or existing users' actions negatively impact the established rights of those who have historically utilized those water rights. Active management plan means a plan to address the degradation of a basin within a CGMA. The bill directs OWRB to conduct spot inspections, audits, or other testing as deemed necessary to maintain adequate determinations of basin measurements, yields, and sustainability of a critical groundwater management area (CGMA) as well as establish reasonable and defensible hydrologic thresholds that could inform management of permitted groundwater in a CGMA. If a field agent of the Board recommends that an active management plan be implemented for a CGMA, OWRB is directed to determine whether the CGMA shall be placed under the plan. The plan may include placing an agent at the CGMA, placing a moratorium on new permits, active metering, well placement spacing for new permits, and programing to allocate for resources the modernization and remediation of impacted basins, implementing metering or monitoring measures of senior permit holders. The bill also states that no later than November 1, 2027, all water permits for water usage that are in effect shall have metering or measuring of the water source in place to ensure sustainable use.

The bill passed the Senate Energy and Telecommunications Committee on Thursday by a vote of 12 to 0.

Medical Marijuana/Water Usage Fee: SB 1352 by David Bullard (R-Durant) authorizes municipalities and counties to impose a fee of One Dollar and twenty-five cents (\$1.25) for every one thousand (1,000) gallons of water used by a licensed commercial medical marijuana growers located within the boundary of the municipality or county. Counties shall not collect the fee from a commercial grower located in a municipality which imposes the fee. For a municipality that collects the fee: a. sixteen percent (16%) shall be apportioned to the municipality collecting the fee, and b. eighty-four percent (84%) shall be apportioned to the State Treasurer for deposit in the Reservoir Capital Investment Fund, created pursuant to Section 1 of this act; and 2. For a county that collects the fee: and twelve percent (12%) shall be apportioned to the county collecting the fee, b. four percent (4%) shall be apportioned to the emergency medical service districts established within the county pursuant to Section 9C of Article X of the Oklahoma Constitution; provided, if no emergency medical service districts are established within the county, the amount apportioned pursuant to subparagraph shall be apportioned to the county collecting the fee. If more than one emergency medical service district is established within a county, the county shall apportion the proceeds between the emergency medical service districts in the same ratio that the population the district encompasses bears to the total population all districts within the county encompass, and c. eightyfour percent (84%) shall be apportioned to the State Treasurer for deposit in the Reservoir Capital Investment Fund, created pursuant to Section 1 of this act.

The bill passed the Senate Energy and Telecommunications Committee on Thursday by a vote of 10 to 2. The bill moves to the Senate Appropriations Committee.

Sales Tax/Heavy Equipment Rental Fees: SB 1438 by Sen. Dave Rader (R-Tulsa) provides that a company primarily in the business of renting heavy equipment property classified under 532412 or 532310 of the 2017 NAICS; located in this state may include as a separate line item on the rental invoice a recovery fee of one and twenty-five hundredths percent (1.25%) on the rental charge from any item of heavy equipment property rental by a customer. On or before February 15, each rental business that collects the equipment rental recovery fee shall be required to electronically submit to OTC a consolidated report showing the aggregated personal property taxes paid in the state in the previous calendar year and the aggregated recovery collections. If the aggregated recovery collections in the state exceed the aggregated taxes paid in the state, the aggregate excess shall be paid to the county treasurers. The amount of excess paid to each county treasurer shall be a pro rata distribution based on the amount of personal property tax paid by the business to each county in the previous calendar year in relation to the total personal property tax paid in this state in the previous calendar year. No excess collections shall be retained by the business. Revenues from the fee may be used to pay personal property taxes. The recovery fee shall not apply to the rental of heavy equipment property to the federal government, any federally recognized Indian tribe, the state, or any municipality or county. The recovery fee shall not be subject to state or local sales taxes.

The bill passed the Senate Business and Commerce Committee on Monday by a <u>vote</u> of 11 to 1. The bill moves to the Senate Finance Committee.

Pension Legacy Fund: <u>SB 1443</u> by Sen. Dave Rader (R-Tulsa) creates the Oklahoma Pension Legacy Fund in the State Treasury. The Fund shall consist of surplus monies and savings appropriated by the Legislature. The State Treasurer shall appoint qualified investment managers to provide for the investment of the monies. The Treasurer shall make available a report on its website detailing the present value of the investments and assets in the Oklahoma Pension Legacy Fund and the increase in value from the previous fiscal year. The bill transfers any funds in excess of One Hundred Million Dollars (\$100,000,000,000.00) from the previous fiscal year or

any additional whole increments of One Hundred Million Dollars (\$100,000,000.00) to the General Revenue Fund. Such transfers shall only be used to fund pensions. Investment managers must maintain a reasonable proportion of liquid assets in the Fund to facilitate any expected transfers. The bill appropriates One Hundred Forty-five Million Eight Hundred Eighteen Thousand Six Hundred One Dollars (\$145,818,601.00) from the General Revenue Fund of the fiscal year ending in June 30, 2021, Sixtyfour Million Two Hundred Fifty Thousand Two Hundred Ninety-nine Dollars (\$64,250,299.00) from the General Revenue Fund of the fiscal year ending in June 30, 2022, and One Billion Eight Hundred Forty-five Million Two Hundred Fifty-three Thousand Seven Hundred Thirteen Dollars (\$1,845,253,713.00) from the General Revenue Fund of the fiscal year ending in June 30, 2023, to the newly created Fund.

The bill passed the Senate Retirement and Insurance Committee on Tuesday with the title stricken by a <u>vote</u> of 10 to 0. The bill moves to the Senate Appropriations Committee.

Sales Tax Exemptions/OSU: <u>SB 1445</u> by Sen. Dave Rader (R-Tulsa) and Rep. John Pfeiffer (R-Orlando) creates a new sales tax exemption for providing exemption for the OSU Medical Authority, the OSU Medical Authority Trust, the OSU Veterinary Medicine Authority, and the OSU Veterinary Medicine Trust to extend to any person that has duly entered into a public contract with the entities.

The bill passed the Senate Finance Committee on Monday with the title stricken by a <u>vote</u> of 11 to 0. The bill moves to the Senate floor.

Political Subdivisions Opioid Abatement Grants Act: <u>SB 1453</u> by Sen. Paul Rosino (R-OKC) expands approved purposes as it relates to the Political Subdivisions Opioid Abatement Grants Act to include any approved uses as authorized by opioid-related settlement agreements in which the State of Oklahoma is a litigant or participant. The bill broadens the definition of "political subdivision" to include the board of regents or board of trustees of an institution of higher education within the Oklahoma State System of Higher Education. The bill eliminates reference to interest accrued to the Purdue Political Subdivision Fund from the Revive

Oklahoma Health Foundation. To the extent allowed by any settlement or judgment relating to opioid litigation involving pharmaceutical supply chain participants, the AG may withhold not more than five percent (5%) of the funds received by the Oklahoma Opioid Abatement Revolving Fund for staff and administrative support. Such funds may also be used to research and evaluate the effectiveness of grants disbursed by the Oklahoma Opioid Abatement Board.

The bill passed the Senate Health and Human Services Committee on Thursday by a <u>vote</u> of 12 to 0.

Sales Tax Exemption/Firearm Safety Devices: <u>SB</u> <u>1476</u> by Sen. Jo Anna Dossett (D-Tulsa) creates a new sales tax exemption on the sales of firearm safety devices and gun safety devices.

The bill passed the Senate Finance Committee on Monday with the title stricken by a <u>vote</u> of 7 to 4. The bill moves to the Senate floor.

Sales Tax Exemption/First Responders: SB 1484 by Sen. Jessica Garvin (R-Duncan) creates a sales tax exemption on personal property or services to persons who are residents of the state and are granted a disability retirement benefit by the Oklahoma Police Pension & Retirement System, Oklahoma Firefighters Pension & Retirement System, Oklahoma Law Enforcement Retirement System, or Oklahoma Wildlife Conservation Retirement System for a disability incurred in the line of duty. The exemption shall not exceed Twenty-five Thousand Dollars (\$25,000.00) per year per individual. If the amount of exemption exceeds such amount, the sales tax shall be treated as a direct sales tax liability and may be recovered by OTC. Persons qualifying for the exemption shall receive a card which shall expire five (5) years from the date A person may apply for a new of issuance. exemption if the card is set to expire in less than six (6) months.

The bill passed the Senate General Government Committee on Thursday with the title stricken by a <u>vote</u> of 8 to 0. The bill moves to the Senate Finance Committee.

ODOT/Municipal Road Drilling Activity Revolving Fund: SB 1509 by Sen. John Haste (R-Broken Arrow) provides for appropriations, federal monies, or any other monies collected by or for ODOT, and monies from the current and prior fiscal years, may be transferred to and between the agency disbursing funds for the current or prior fiscal years, the Municipal Road Drilling Activity Revolving Fund, and any other funds authorized for the use by ODOT as necessary to carry out the duties of ODOT. The bill also impacts other funds in ODOT used for the current and prior fiscal years for the purpose of ODOT to carry out their duties.

The bill passed the Senate Aeronautics and Transportation Committee on Monday by a <u>vote</u> of 7 to 3. The bill moves to the Senate Appropriations Committee.

Law Enforcement/School Resource Officers: SB 1521 by Sen. Dewayne Pemberton (R-Muskogee) and Rep. Dick Lowe (R-Amber) authorizes a school district participating in the School Resource Officer Program to give priority to a law enforcement officer who is trained in school-based law enforcement and crisis response. If a law enforcement officer as described in paragraph 1 of this subsection is unavailable, a participating school district may employ or contract with a retired law enforcement officer or security guard who is licensed pursuant to the Oklahoma Security Guard & Private Investigator Act. The law enforcement agency that serves the area in which a school district is located shall provide an individual employed or contracted, pursuant to this paragraph, with a police band radio system which may be used by the individual in the performance of his or her duties. A school district may use funds from the School Security Revolving Fund to cover the cost of the radio system.

The bill passed the Senate Education Committee on Monday by a <u>vote</u> of 12 to 0. The bill moves to the Senate floor.

Firefighters Pension/Volunteers: <u>SB 1524</u> by Sen. Grant Green (R-Wellston) provides that a retired, paid firefighter performing volunteer firefighting services shall not accrue additional years of credited service for such services. A retired volunteer firefighter receiving the maximum allowable accrued retirement benefit may return as a volunteer

firefighter for a volunteer fire department and continue to receive the members retirement benefit; however, the retired volunteer firefighter shall not further accrue years of service during such period. The bill specifies the benefit shall cease during any time period the retiree may thereafter serve for the compensation in any municipal fire department in the state; provided further, no person shall perform any services as a volunteer firefighter if such person is receiving disability benefits. Maximum allowable accrued retirement benefit means a benefit calculated using thirty (30) years of credited service. If the member has elected to participate in the Oklahoma Firefighters Deferred Option Plan (DROP), credited service for benefit calculation shall be calculated as of the date the member begins participation in the Plan, or the backdrop date if elected. No person serving as a firefighter pursuant to this section shall be eligible to serve as the fire chief. Pursuant to Section 49-100.1 of this title, the fire chief shall be an active member of the System within a participating municipality of which he or she is the fire chief.

The bill passed the Senate Retirement and Insurance Committee on Tuesday by a <u>vote</u> of 10 to 0. The bill moves to the Senate floor.

Open Records: <u>SB 1574</u> by Sen. Kay Floyd (D-OKC) provides that the Open Records Act shall not apply to applications and other documents related to licensure matters that are filed of record in a district court including but not limited to marriage licenses, process server licenses, closing our sale licenses, transient merchant licenses, pool hall licenses, and bail bondsmen registrations.

The bill passed the Senate Judiciary Committee on Tuesday by a <u>vote</u> of 10 to 0. The bill moves to the Senate floor.

Electric Vehicle Charging Act: SB 1587 by Sen. Chuck Hall (R-Perry) modifies the definition of electric vehicle as it relates to the Oklahoma Electric Vehicle Charging Act to requires such vehicles to draw current from fuel cells to power an electric motor. The bill defines "fuel cell" to mean a cell that converts the chemical energy of hydrogen directly into electricity through electrochemical reactions. The bill also defines "hydrogen fueling station" to mean any equipment that dispenses hydrogen into

a motor vehicle or electric vehicle powered by a fuel cell. The bill clarifies that the provisions of the Act shall not be construed as to prohibit an electric supplier or municipal corporation from operating, leasing, installing, or otherwise procuring service from an electric vehicle charging station or hydrogen fueling station on its own premises for the sole purpose of serving its own electric vehicles that is not open to the public. The bill does not apply to fueling stations that were constructed, provided by, owned, operated, or maintained by a retail electric supplier or municipal corporation prior to November 1, 2023.

The bill passed the Senate Energy and Telecommunications Committee on Thursday by a vote of 11 to 1.

Planning/Restrictive Covenants: <u>SB 1617</u> by Sen. Kristen Thompson (R-Edmond) and Rep. John Pfeiffer (R-Orlando) authorizes municipalities to amend an existing plat which was previously filed with the office of the county clerk of the county where the addition is located to remove an illegal discriminatory restrictive covenant pursuant to the Fair Housing Act, 42 U.S.C., Section 3601 et in the office of the county clerk of the county where the addition is located against all parcels within the addition after: 1) the municipality must provide thirty (30) days written notice of the within the addition of the proposed amendment to remove an illegal discriminatory restrictive covenant, the notice including the time, date and place of the planning commission meeting where amendment body of the municipality approves the Nothing shall be construed as amended plat. requiring the approval of the amended plat by the property owners of all parcels within the addition. An illegal discriminatory restrictive covenant contained on a plat is not enforceable in this state, and all illegal discriminatory restrictive covenants contained in plats recorded in this state are unlawful, unenforceable, and declared null and void. Any illegal discriminatory restrictive covenant contained in an existing plat is extinguished and severed from the plat, with the remainder of such plat remaining enforceable and effective.

The bill passed the Senate General Government Committee on Thursday by a <u>vote</u> of 10 to 0.

Retail Electric Supplier Act: SB 1629 by Sen. Grant Green (R-Wellston) authorizes any retail electric supplier not excluded by Section 158.28 of this title that intends to provide retail electric service to a new electric-consuming facility within the certified territory of another retail electric service provider shall notify the incumbent retail electric service provider and the Public Utility Division (PUD) of the Corporation Commission, either in writing or by email, no less than fifteen (15) business days prior to entrance into a written or verbal contract for service between the non-incumbent retail electric service provider and the new electric-consuming facility. Upon request by the new electric-consuming facility, information contained in the notice shall be maintained confidentially by the incumbent retail electric service provider. Arrangements shall be made with the PUD to allow such information to remain confidential. Notice shall include but not limited to, the following: 1) a specific description of the anticipated location of the new electricconsuming facility by GPS coordinates to allow clear identification of the certified territory retail electric service provider; 2) a specific description of the planned size of the connected load for initial full operation to be added; and 3) identification of the tariff, on file with the PUD, under which the retail electric service provider intends to serve the electricconsuming facility.

The bill passed the Senate Energy and Telecommunications Committee on Thursday by a vote of 10 to 1.

GTCA/Emergency Medical Services District: <u>SB</u> <u>1653</u> by Sen. Ally Seifried (R-Claremore) amends Section 152 of Title 51 regarding the Governmental Tort Claims Act by adding "emergency medical services districts" to the definition of "political subdivision".

The bill passed the Senate Judiciary Committee on Tuesday by a <u>vote</u> of 10 to 1. The bill moves to the Senate floor.

Law Enforcement/Warrants: SB 1660 by Sen. Darrell Weaver (R-Moore) allows for search warrants to be issued for persons for whom an arrest warrant has been issued and bring the property or person before the magistrate. A search warrant may be issued to allow peace officers to enter and search

a residence in order to seize a person for whom an arrest warrant has been issued where the residence to be searched is not the residence of the person for whom the warrant has been issued. Any peace officer who executes a search warrant to search a third-party residence for a person with an outstanding warrant must return the search warrant to the

The bill passed the Senate Judiciary Committee on Tuesday with the title stricken by a <u>vote</u> of 8 to 2. The bill moves to the Senate floor.

Open Meetings/Executive Sessions: SB 1716 by Sen. Todd Gollihare (R-Kellyville) allows licensing bodies to enter executive session in reviewing and discussing mental health documents related to a licensee under investigation or review by a professional licensing board if: a. the executive session is held only to review or discuss mental health documents directly related to the licensee or to receive testimony from relevant witnesses as necessary for the board to make a determination in the matter, b. the documents reviewed or discussed kept confidential, privileged and discoverable in civil actions, and not made available to the public, and c. the licensee is given the opportunity to be present during any witness testimony or discussion of the mental health documents.

The bill passed the Senate Judiciary Committee on Tuesday by a <u>vote</u> of 9 to 0. The bill moves to the Senate floor.

NEXT WEEK AT THE CAPITOL

Monday, February 12, 2024

Senate Agriculture & Rural Committee 10:00 a.m., Room 535

Sales Tax Exemption/Game Animals: <u>SB 2028</u> by Sen. Chris Kidd (R-Waurika) adds a new sales tax exemption game animals which means animals bred to be hunted for sport or food but does not include feral swine.

REAP: <u>SB 2033</u> by Sen. Brent Howard (R-Altus) authorizes, upon the effective date of this act, up to ten percent (10%) of the balance of an account or subaccount available to each of the entitles

described by Section 2007 of Title 62 may be loaned to private entities, government subdivisions, or tribal governments for the purposes of this subsection.

House A&B Sub: Natural Resources 10:30 a.m., Room 5s2

Community Quality of Life Enhancement Act: HB 3424 by Rep. Nick Archer (R-Elk City) creates the Community Quality of Life Enhancement Act to provide additional funding sources to promote a high quality of life. Such funding should be utilized by the communities based on an allocation system using a per capita method. Local communities are required to establish a board in order to make applications to the Department of Commerce. The monies in the Community Quality of Life Enhancement Revolving Funds may be utilized by eligible communities for: infrastructure that impacts quality of life; parks and recreational facilities; public transportation enhancements; cultural and community centers; public art beautification; and environmental conservation projects. Community Quality of Life Revolving Fund will be appropriated Sixty-Million Dollars each fiscal year.

OK Urban and Innovative Advancement Act: HB 3829 by Rep. Arturo Alonso-Sandoval (D-OKC) creates the Oklahoma Urban and Innovative Advancement Act. The Oklahoma Conservation Commission must establish and administer a grant program to support urban farming, community gardens and innovative agriculture projects in urban and suburban areas. The Commission shall promulgate rules and adopt eligibility guidelines necessary to enforce and administer the Oklahoma Urban and Innovative Agriculture Advancement Act, including application process for grants. Entities eligible to apply for grants are nonprofit organizations, educational institutions, and local government entities in Oklahoma.

House A&B Sub: Education 10:30 a.m., Room 450

Law Enforcement/School Security: <u>HB 4016</u> by Rep. Mark McBride (R-Moore) adds a purpose for monies from the School Security Revolving Fund to be used for the implementation of a crisis management solution. This consists of a hard-wired

notification system for identifying the location of a threat notifying staff, law enforcement, and first responders. The notification system shall also notify staff via text, email, and voice alert. The system must also address the time gap issue from the beginning of a violent event until law enforcement support can arrive and end the threat. The crisis management solution shall provide training and implementation of a variety of secured response options, including threshold protection, escape and evade options, and trauma first aid items.

House A&B Sub: Finance 10:30 a.m., Room 206

Ambulance Districts/Motor Fuel Tax Exemption: <u>HB 3031</u> by Rep. Cody Maynard (R-Durant) exempts Oklahoma ambulance districts established under Section 9C of Article X of the Oklahoma Constitution from motor fuel taxes.

Senate Business & Commerce Committee 2:00 p.m., 4s9

Economic Development: SB 1428 by Sen. Jerry Alvord (R-Wilson) creates an investment rebate program for qualifying entities as defined in the Large-Scale Economic Activity and Development Act until July 1, 2030 that are defined or classified in the NAICS Manual under Industry Group NO. 325120; and having acquired real property located within the boundaries of a municipality with a population between twenty thousand (20,000) and thirty thousand (30,000) where the qualified capital will be located. The rebate program shall be equal to six and twenty-five hundredths' percent (6.25%) of the cost of the qualified capital expenditure in the vear of expenditure. Such entities must apply outlining capital expenditures of Eight Hundred Million Dollars (\$800,000,000.00) or more in the state, prove that they made qualified capital expenditures of no less than twenty percent (20%) of the capital expenditure plan, and proved they filed their tax returns and documents required by law. The Department of Commerce shall approve or disapprove applications and use monies from the newly created Commerce Manufacturing Activity Development Fund. The measure appropriates Fifty Million Dollars (\$50,000,000.00) from the General Revenue Fund to the newly created Fund. Any

amount remaining in the Fund after 2030 shall revert back to the General Revenue Fund.

Economic Development/COMPETE Act: SB 1447 by Sen. Kristen Thompson (R-Edmond) and Rep. Mike Osburn (R-Edmond) creates the Creating Oklahoma's Modern Plan for Economic Transformation and Effectiveness (COMPETE) Act. The bill creates a separate and distinct agency to be designated as the Oklahoma Office of Economic Development, Growth, and Expansion. responsibilities pertaining to economic development currently held by the Department of Commerce shall be transferred to the newly created Office. The Office shall: strategically drive opportunities for growth economic diversification across the state; collaborate across local, regional, and state entities; coordinate the funding and investment activities of each element of the state economic development efforts and marketing campaigns; and act as the principal point of contact regarding investment in this state for public officials, businesses, and the public.

There is created a nine (9) member board: three (3) members appointed by the President Pro Tempore of the Senate; provided at least one appointed member shall be from a municipality with a population of sixty thousand (60,000) people or less; three (3) members appointed by the Speaker of the House; provided, at least one appointed member shall be from a municipality with a population of one hundred thousand (100,000) people or less; and three (3) members appointed by the Governor; provided at least one appointed member shall be from a municipality with sixty thousand (60,000) people or less.

The Board shall appoint an Executive Director of the Office with the experience outlined in the bill and serve as an advisory body for policy. All economic development projects in the state shall be managed by the Director. The Office shall prepare a report on the economic development strategic plan by December 30 each year to be electronically distributed to the President Pro Tempore, Speaker of the House, and Governor.

The Committee shall review financing or individual incentive packages which shall include packages

offering tax incentives, funds for economic development, and when the annual investment exceeds Seventy-five Million Dollars (\$75,000,000.00). The Office shall inform the Committee of when it plans to present a project for the Committee's consideration. The meetings of the Committee are subject to the Oklahoma Open Meeting Act and the Oklahoma Open Records Act. Marketing plans, financial statements, trade secrets, or any other commercially sensitive information about persons, firms, associations, partnerships, agencies, corporations, or other entities shall be confidential. The bill also creates the Economic Development, Growth, and Expansion Revolving Fund, which shall consist of all monies received by the Office from appropriations and donations, grants, contributions, or gifts from any public or private source.

House A&B Sub: General Government 4:40 p.m., Room 4s2

Emergency Management District Relief Matching Fund: <u>HB 3817</u> by Rep. Lonnie Sims (R-Jenks) requires the Oklahoma Department of Emergency Management to distribute funds to cities and counties within one (1) year upon completion of a successful public assistance application.

ADVOCATING FOR YOUR COMMUNITY

This year, several bills have been filed that will have a negative impact on our members, which means we need YOU more than ever. Here are a few tips to help you help us.

Stay vigilant, stay informed. Let OML be your clearing house for legislative information and news. OML sends out many GRIP Alerts to our members to let you know when a pressing issue needs your attention. Pay attention to these emails, as we send them for your benefit. You can also read any version of any bill on the Legislature's website at oklegislature.gov.

Be active. If you can't be at the Capitol, call, text, and email your legislators. They want to hear from you!

Act swiftly. Often times, bills heard in committee or on the floor can come and go very quickly. This means that you have a small window to communicate with your legislators. Same day action is paramount.

Send us your comments. Is a particular issue or bill important to your community? Tell us about it. We also frequently send out bills and ask for comments from you for guidance. These comments remain completely in-house, so don't be afraid to speak up. Your words are safe with us!

Build a coalition. Never has the phrase "strength in numbers" been more relevant. Discuss these issues with community leaders and surrounding municipalities. Collaboration is invaluable in the legislative process.

Build a relationship with your legislators. Legislators appreciate hearing from their constituents back home. They're also usually happy to give their phone numbers and email addresses out to remain in contact with you.

Say THANK YOU! This one is a no brainer. Never underestimate the power of saying thank you.

FUTURE ISSUES

Look for the Legislative Advocate to highlight bills that impact your municipalities. We will also highlight some positive developments from the Capitol including bills that we are lobbying on behalf of individual members. Cities and towns either win or lose together at the State Capitol since it takes a majority of legislators from all over the state—whether urban or rural, democrat or republican—to carry the day. The number-one ingredient for success at the legislature and state agencies is a united collective municipal voice.