LOCAL CONTROL = STATE LEVEL OR SO THEY SAY

Protecting local control is one of our primary focuses when it comes to advocating for cities and towns at the capitol. The State legislature sees it differently. Allowing you to control what is best for your municipalities has become challenging with think tanks or ideas that are being passed in other states but not here. As we say around our office, Local Control at the state level.

There are numerous bills preempting cities and towns from passing any ordinances, rules, regulations or policies for a variety of things from guns, to plastic bags, minimum wage and regulating lenders.

Here are just a few of the bills we are working:

SB 1465 by Sen. James Leewright (R-Bristow) prohibits any political subdivision from restricting, taxing, prohibiting or issuing any ordinance regulating the use, disposition or sale of auxiliary containers. The bill was approved by the Senate General Government Committee by a shaky vote of 6-4 with the title stricken. It is now waiting to be heard on the Senate Floor.

SB 1032 by Sen. Josh Brecheen (R-Coalgate) provides new state requirements for the sale or placement of any lease-backed or lease revenue bond, note, lease or other obligation to construct or acquire any facility for the benefit of a municipality. Proposals are required from a list provided by the State Bond Advisor, if the lowest bidder is not selected, written justification must be provided to the State Auditor and the State Bond Advisor. The bill received a do pass recommendation in the Senate Appropriations Subcommittee on General Government and Transportation. The next step is for it to be heard in the full Senate Appropriations and Budget Committee.

HB 2671 by Rep. Chuck Strohm (R-Jenks) amends 26 O.S. Section 3-101 by altering available election dates for county, school district, technology center school district, municipality or other political subdivision elections for any purpose other than to fill an elective office. All currently available dates are removed and the “second Tuesday in February” is substituted. All other “elections shall be held
BILLS ON THE MOVE

Here is a snapshot of bills impacting cities and towns.

Employment/Wage Theft: HB 3009 by Rep. Forrest Bennett (D-OKC) authorizes the Department of Labor to create a toll-free number to be posted on its website home page for persons to call and report wage theft claims.

The bill was laid over in the House Appropriations & Budget Committee on Monday.

Sales Tax Exemption/Proof of Eligibility: HB 3143 by Rep. Jason Dunnington (D-OKC) amends 68 O.S. Sections 1361.1 and 1361.2 regarding verification of exemption from sales tax. A vendor is deemed to have actual knowledge that a consumer is entitled to an exemption if the vendor has been presented by the consumer, proof of eligibility issued by the Tax Commission. No vendor shall require a person to show additional verification to claim the exemption.

The bill was approved by the House Appropriations & Budget General Government Subcommittee on Monday.

Open Meeting Act/Executive Session Expansion: SB 898 by Sen. Roger Thompson (R-Okemah) adds matters involving safety and security at state penal institutions or correctional facilities and discussion of contract negotiations involving contracts for which the public body has the duty to approve.

The bill was amended and received a do pass recommendation in the Senate General Government Committee on Monday. It is now waiting to be heard on the Senate Floor.

Ad Valorem/Appraisal Funding: SB 1547 by Sen. Kimberly David (R-Porter) creates the County
Public Safety/Mental Health Transport: **SB 992** by Sen. Micheal Bergstrom (R-Adair) amends 43A O.S. Section 1-110 by altering payment for mental health transport by law enforcement. Transport within a 20-mile radius from the transporting sheriff’s office shall be reimbursed via the State Travel Reimbursement Act. Outside the 20-mile radius shall be reimbursed at a rate negotiated with the Department of Mental Health and Substance Abuse Services prior to transport.

The bill was laid over in the Senate Health and Human Services Committee on Monday.

**Assisted Living Centers/Requirements:** **HB 2537** by Rep. Tammy West (R-Bethany) requires assisted living centers to have alternate sources of energy to maintain the facility pursuant to the requirements in the bill.

The bill was heard on the House Floor on Tuesday. It passed by a vote of 78-8.

**Drug Courts/Treatment Providers:** **SB 1067** by Sen. A J Griffin (R-Guthrie) amends the Oklahoma Drug Court Act by requiring treatment providers to be certified and evaluated annually by the Department of Mental Health and Substance Abuse Services.

The bill passed the Senate Judiciary Committee unanimously and is now waiting to be heard on the Senate Floor.

Ambulance/Liens: **SB 1118** by Sen. Ervin Yen (R-OKC) amends 42 O.S. Section 49 regarding liens for every governmental entity or trust authority operating an ambulance service for any person injured as a result of the negligent or intentional act of another. It removes current law’s requirement for written notice setting forth “an itemized” statement of the amount claimed.

The bill passed the Senate Judiciary Committee unanimously and is now waiting to be heard on the Senate Floor.

**Law Enforcement/Electronic Communication Device:** **SB 1274** by Sen. Nathan Dahm (R-Broken Arrow) creates new law providing that no governmental entity shall obtain metadata, stored data or transmitted data of an electronic device without a search warrant. The bill contains details including a detailed exception to the warrant requirement, notice requirements and definitions.

The bill passed the Senate Judiciary Committee unanimously and is now waiting to be heard on the Senate Floor.
Agriculture/Limitation of Liability:  **HB 3416** by Rep. John Pfeiffer (R-Mulhall) amends the Oklahoma Limitation of Liability for Farming and Ranching Land Act. It removes current law that the Act “applies only to an owner of land who does not charge more than $10 per acre per year for land used for recreational purposes.” In addition, the definition of “charge” is deleted as well as current law impacting land leased to the state or subdivision thereof, that any consideration received by the owner for the lease shall not be deemed a charge.

The bill passed the House Agriculture and Rural Development Committee unanimously and is now waiting to be heard on the House Floor.

Law Enforcement/Controlled Dangerous Substances:  **SB 1185** by Sen. Lonnie Paxton (R-Tuttle) amends the Uniform Controlled Dangerous Substances Act by altering the definition of marihuana creating the Oklahoma Industrial Hemp Agricultural Pilot Program Act.

The bill was laid over in the Senate Agriculture and Wildlife Committee on Tuesday.

Scrap Metal Dealers/Identification Requirements:  **SB 1481** by Sen. Jason Smalley (R-Stroud) amends the Oklahoma Scrap Metal Dealers Act including identification cards, internet-based reporting, making it unlawful to sell or purchase copper wire that is 4-gauge or larger, document requirements are added for exempt-seller status including authorization for a request for the documents from law enforcement and requirements are added for the purchase of a vehicle.

The bill passed the Senate Agriculture and Wildlife Committee unanimously and is now waiting to be heard on the Senate Floor.

Taxation/Housing Credits:  **SB 886** by Sen. Dave Rader (R-Tulsa) amends the Oklahoma Affordable Housing Act by adding that no housing tax credits shall be allocated on or after November 1, 2018.

The bill was laid over in the Senate Appropriations Subcommittee on Finance.

Sales Tax Exemption/Expansion:  **SB 906** by Sen. Frank Simpson (R-Ardmore) and Rep. Tommy Hardin (R-Madill) expands the disabled veterans sales tax exemption by excluding the sale of a motor vehicle from the current annual limit of sales not to exceed $25,000.

The bill passed the Senate Appropriations Committee with the title stricken and is now waiting to be heard on the Senate Floor.

Affordable Housing Act/Tax Credit:  **SB 953** by Sen. A J Griffin (R-Guthrie) modifies the Oklahoma Affordable Housing Act by expanding a “qualified project” from a county with a population of less than 150,000 to a population of less than 300,000. Any credit claimed but not used beginning on or after January 1, 2019, may be carried forward to each of the three (3) subsequent taxable years. Current law is five (5) subsequent taxable years.

The bill was passed in the Senate Appropriations Committee with the title stricken on Tuesday and is now waiting to be heard on the Senate Floor.

CLEET/Regulation:  **HB 2737** by Rep. Dell Kerbs (R-Shawnee) amends CLEET duties in various sections of Title 59. Included are changes to bail enforcement, security guards and private investigators, licenses, fees and disciplinary penalties. The bill contains details.

The bill was passed in the Appropriations & Budget Subcommittee on Public Safety by a vote of 7-0.

Law Enforcement/Impaired Driver Database:  **HB 3331** by Rep. Mike Sanders (R-Kingfisher) authorizes the OSBI to assist DPS in the development and implementation of a statewide impaired driver database. OSBI shall assist by transmitting to DPS criminal history records as they are received from law enforcement entities.

The bill was laid over in the Appropriations & Budget Subcommittee on Public Safety.

Jails/Housing:  **HB 3470** by Rep. John Jordan (R-Yukon) amends 19 O.S. Section 180.43 regarding the county sheriff contracting with federal and state entities and municipalities for the feeding, care, housing and upkeep of prisoners, or alien detainees incarcerated in the county jail. Funds from these contracts shall be deposited in the “Sheriff’s Service Fee Account”. Funds may be expended for “capital expenditures”.

The bill was laid over in the A&B Subcommittee on Public Safety.

Pension/Distribution:  **HB 1340** by Rep. Randy McDaniel (R-Edmond) authorizes the state pension systems, including Firefighter, Police and OPERS, to make a one-time distribution of $1,000 to retirees or beneficiary. In addition, in the future, if specifically authorized by the Legislature, an amount equal to one
(1) gross monthly pension benefit may be paid to retirees or their survivor if, after payment, the funded ratio of the pension system is 100%. The bill contains details.

The bill was passed in the House Banking and Business Committee and is now waiting to be heard on the House Floor.

Police Pension/Benefits: **HB 2515** by Rep. Randy McDaniel (R-Edmond) makes various changes to the Police Pension System impacting benefits in order to remain an IRS qualified plan. Included is benefits payable, including from the deferred option plans, shall be paid from general assets of the Fund and a permanent and total impairment equates to 100% of accrued retirement benefit.

The bill was passed in the House Banking and Business Committee and is waiting to be heard on the House Floor.

Public Employees Pension/Benefits: **HB 2516** by Rep. Randy McDaniel (R-Edmond) changes the Oklahoma Public Employees Retirement system regarding service credit for unused sick leave.

The bill was passed in the House Banking and Business Committee and is now waiting to be heard on the House Floor.

Unemployment Compensation/Benefits: **HB 2523** by Rep. Randy McDaniel (R-Edmond) makes several changes to the Employment Security Act of 1980 including the base period, assignments, disqualification to receive benefits, child support obligations and the like.

The bill was passed in the House Banking and Business Committee and is now waiting to be heard on the House Floor.

Transportation Funding/State: **HB 2638** by Rep. Dustin Roberts (R-Durant) provides that the State Highway Construction and Maintenance Fund shall also consist of revenues specifically apportioned to such fund by Oklahoma statutes. Of the money deposited in the Fund pursuant to the apportionment of Motor Fuels Tax Fees, the lesser of $10,000 and one and one-half percent of such monies may be used for the development and maintenance of alternative fuel corridors. 47 O.S. Supp. 2017, Section 1132.7 is repealed.

The bill was passed in the House Appropriations and Budget Subcommittee on Transportation by a vote of 4-2.

Motor Vehicles/Towing Regulation: **SB 912** by Sen. Mark Allen (R-Spiro) amends various sections of Title 47 granting the Department of Public Safety authority over rates in the licensing and control wrecker vehicles and wrecker or towing services. Current law grants the establishment of rates to the Corporation Commission.

The bill was laid over in the Senate Transportation Committee on Tuesday.


The bill passed the Senate Transportation Committee by a vote of 10-2 on Tuesday and is now waiting to be heard in the Senate Appropriations Committee.

Rail Fixed Guideway Systems/Regulation: **SB 1131** by Sen. Darcy Jech (R-Kingfisher) creates the Oklahoma State Safety Oversight Program for the Department of Transportation to develop and enforce program standards for all private and public rail fixed guideway systems not administered by the Federal Railroad Administration.

The bill received a do pass recommendation in the Senate Transportation Committee by a vote of 12-0 on Tuesday and is now waiting to be heard in the Senate Appropriations Committee.

Condemnation/Section Line Roads: **SB 1377** by Sen. John Sparks (D-Norman) amends 69 O.S. Section 646 regarding the county commissioner’s authority over section line roads involving a proposal to vacate. The bill contains details.

The bill was passed in the House Appropriations Committee and is now waiting to be heard on the Senate Floor.

Railroads/City of Tulsa: **SB 1379** by Sen. Kevin Matthews (D-Tulsa) authorizes the Department of Transportation to enter into agreements with the City of Tulsa to acquire, construct, reconstruct, repair, replace and maintain railroad rights-of-way for the purpose of establishing light rail passenger routes within the corporate limits. The bill contains details.

The bill received a do pass recommendation in the Senate Transportation Committee and was referred to the Senate Appropriations Committee.

Public Safety/Immediate Family: **HB 2592** by Rep. Ross Ford (R-Broken Arrow) authorizes the Secretary of the State Election Board to keep confidential the
residence and mailing address of the immediate family of law enforcement personnel. Immediate family means a spouse, child by birth or adoption, stepchild, parent, grandparent, grandchild, sibling or spouse of any immediate family member.

The bill was laid over in the House Elections and Ethics Committee on Wednesday.

**Firearms/Unlawful Carry:** **HB 2527** by Rep. Bobby Cleveland (R-Slaughterville) amends unlawful carry by adding county employees when acting in the scope of employment within the courthouses of the county.

The bill passed the House Public Safety Committee by a vote of 11-4 on Wednesday.

**Public Property/Trash:** **HB 2702** by Rep. John Echols (R-OKC) increases fines for those who deliberately places garbage, trash, waste, rubbish, refuse, debris or other deleterious substances on any public property or on private property without consent of the property owner. The bill contains details.

The bill was laid over in the House Public Safety Committee on Wednesday.

**CLEET/Minimum Standards:** **HB 2882** by Rep. Josh West (R-Grove) creates new law authorizing any state supported technology center or any Oklahoma higher education institution shall be authorized to, upon application and approval of CLEET, offer courses of study for law enforcement certification, basic peace officer certification academies and other law-enforcement training.

The bill received a do pass recommendation in the House Public Safety Committee on Wednesday.

**Forensic Labs/Accreditation:** **HB 3134** by Rep. Mike Ritz (R-Broken Arrow) amends the accreditation of forensic laboratories in 74 O. Section 150.37. It impacts the definitions of “accrediting body”, “ISO/IEC 17025”, “forensic laboratory”, toxicology analysis”, “internationally recognized”, “ISO/IEC 17020” and “supplemental accreditation requirements.”

The bill received a do pass recommendation in the House Public Safety Committee on Wednesday.

**Nursing Homes/Quality Care Fund:** **HB 2958** by Rep. Todd Thomsen (R-Ada) amends the Nursing Facility Quality of Care Fund by removing the current requirement that the Oklahoma Health Care Authority develop nursing facility cost reporting system in 63 O.S. Section 1-1925.2.

The bill passed the House Health Services and Long-Term Care Committee by a vote of 6-2 and is now waiting to be heard on the House Floor.

**Long-Term Care Facilities:** **HB 3233** by Rep. Lewis Moore (R-Arcadia) creates new law regarding long-term care facilities requiring a pharmacogenomics profile for residents who require a prescription for a behavioral medication. Also, appropriate behavioral health services must be provided with the State Board of Health given rulemaking authority.

The bill received a do pass recommendation in the House Health Services and Long-Term Care Committee and is now waiting to be heard on the House Floor.

**Firearms/Deadly Force:** **HB 2632** by Rep. Greg Babinec (R-Cushing) adds places of worship to 21 O.S. Section 1289.25 regarding the use of deadly force.

The bill passed the House Judiciary Committee by a vote of 13-6 and is now waiting to be heard on the House Floor.

**Open Meeting Act/Executive Session:** **HB 2633** by Rep. Greg Babinec (R-Cushing) amends the Open Meeting Act by authorizing an executive session for discussing contract negotiations involving contracts which the public body has the authority to approve.

The bill was laid over in the House Judiciary Committee on Wednesday.

**Law Enforcement/Stalking:** **HB 3260** by Rep. Mark McBride (R-Moore) amends the definition of stalking in 21 O.S. Section 1173 by adding a definition of “following” to include a GPS device or other monitoring device. The bill contains details.

The bill passed by a vote of 18-1 and is now waiting to be heard on the House Floor.

**Sales Tax/OTC Reporting:** **HB 2991** by Rep. Marcus McEntire (R-Duncan) requires the Oklahoma Tax Commission to report to the Legislature on the overall incidence of income, sales and other excise taxes. The report shall give information on the distribution of the tax burden for the overall income distribution, using a system wide incidence measure, such as the Suits index or other means; by income classes, including at a minimum, deciles of the income distribution; and by other appropriate taxpayer characteristics.

The bill unanimously passed the House Appropriations Subcommittee on Finance.
Affordable House/Tax Credits: HB 3055 by Rep. Kyle Hilbert (R-Depew) amends the Oklahoma Affordable Housing Act at 68 O.S. Section 2357.403 by ending no later than December 31, 2018 the tax credit available to a taxpayer owning an interest in an investment in a qualified project. It also ends the carrying forward of a tax credit claimed but not used.

The bill passed the House Appropriations Subcommittee on Finance by a vote of 6-2.

Sales & Use Tax/Vendor Compensation: HB 3084 by Rep. Josh Cockroft (R-Tecumseh) establishes a vendor discount of 1% for compensating the seller or vendor in remitting tax. Such deduction shall not be allowed with respect to a direct payment permit. The deduction shall be limited to a maximum of $2,500 per month per sales tax permit. The amount over the $2,500 limit “shall be retained by the state as an administrative expense and deposited in the General Revenue Fund”. The bill also provides for deductions in the event federal authorities authorizes the state to require remote sellers to collect and remit sales and use taxes. The bill contains details. For a companion bill see SB 1148.

The bill was laid over in the House Appropriations Subcommittee on Finance.

NEXT WEEK AT THE CAPITOL

Monday, February 19, 2018:
Senate Education Committee
9:00 a.m. in 535

Law Enforcement/Notification of Child Abuse or Neglect: SB 1150 by Sen. AJ Griffin (R-Guthrie) requires a school employee who has reason to believe that a student is a victim of abuse or neglect to report the matter promptly to the Department of Human Services and to local law enforcement. It requires the reports be made via the department's anonymous hotline. The bill defines applicable terms. The bill requires the State Department of Education to promulgate necessary rules.

Senate General Government Committee
10:30 a.m. in 230

Deannexation/County Approval: SB 1259 by Sen. Nathan Dahm (R-Broken Arrow) provides that the Board of County Commissioners shall have the authority to approve or disapprove any attempt by a municipality to de-annex property to a county.

Municipality/County Transfer of Property: SB 1272 by Sen. Nathan Dahm (R-Broken Arrow) authorizes county commissioners that receive, as a result of the failure to pay taxes, any real property, otherwise designated as a common area, greenbelt or detention pond for a neighborhood development, to transfer ownership to the municipality that created the areas or shall have the authority to invoice the municipality for maintenance and care of such areas.

Daylight Savings Time: SB 1309 by Sen. Joseph Silk (R-Broken Bow) requires that daylight saving time shall be the year-round standard time of the entire state and of its political subdivision

Tuesday, February 20, 2018:
Senate A&B Finance Subcommittee
10:30 a.m. in 535

Use Tax/Out-of-State Vendors: SB 337 by Sen. Tom Dugger (R-Stillwater) requires out-of-state vendors making sales of tangible personal property for use in this state that does not collect use tax to file an annual statement with the Tax Commission. The statement for each purchaser must show the total amount paid for Oklahoma purchases during the preceding calendar year. Retailers or vendors that do not collect use tax that make Oklahoma sales of more than $100,000 in a year, may be required by OTC to electronically file the annual statement. Failure to file shall subject the retailer or vendor to a penalty of $10 for each purchaser unless they show reasonable cause of such failure.

Affordable Housing Tax Credit: SB 886 by Sen. Dave Rader (R-Tulsa) amends the Oklahoma Affordable Housing Act by adding that no housing tax credits shall be allocated on or after November 1, 2018

TIFS: SB 1279 by Sen. Jason Smalley (R-Stroud) amends the Local Development Act in a number of ways including changes to historic preservation and tools of the act may not be used in areas where investment, development and economic growth “is occurring at a rate consistent with, or greater than, the governing body’s jurisdiction as a whole”. Tax increments shall only be allowed for that portion of the tax under jurisdiction of another local taxing entity by written agreement between the other local taxing entity and the governing body of the city, town or county.”