

04-19

March 1, 2019

In This Issue:

Deadline Week Moves Bills	1
Medical Marijuana Bills Advance	1
OML Priority Bill Passes Senate Committee	1
Bills on the Move	2

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: jlewis@oml.org
Internet: www.oml.org



DEADLINE WEEK MOVES SEVERAL BILLS

This week marked the deadline for bills to be heard in their chamber of origin. With 2,816 bills and joint resolutions filed, many committees had robust agendas to give authors one last opportunity to have their bills heard. Approximately 1,000 of those bills made it through the committee process. Many bills have been heard on the House and Senate floors, passed, and now await a committee hearing in the opposite chamber. [HB 2597](#) (constitutional carry) flew through the legislative process and was the first bill to be signed by the Governor. The deadline for bills to be heard in their chamber of origin is March 14.

MEDICAL MARIJUANA BILLS ADVANCE

[SB 1030](#) by Sen. Paxton (R - Tuttle) advanced out of the Senate Health and Human Services Committee with an 8-4 vote on Monday, February 25 with the title stricken. This bill addresses the municipal concerns resulting from the passage of State Question 788.

[HB 2612](#) by Rep. Echols (R - Oklahoma City), commonly referred to as the "Unity Bill", was heard on the House floor on Thursday, February 28. The bill passed 93-5 and will head to the Senate for consideration.

OML PRIORITY BILL PASSES SENATE COMMITTEE

[SB 400](#) by Sen. Paxton (R - Tuttle) received a do pass recommendation in the Senate General Government Committee on Thursday, February 28 with a vote of 9-2. This bill modifies population requirements to allow county commissioners to assist with municipal street and road maintenance and repairs. The bill will move to the Senate floor for a vote within the next two weeks. Please watch your email for an Action Alert to contact your [Senate member](#) and ask them to vote **YES** on **SB 400**.

A special **thank you** to the following Senate General Government Committee members who voted **YES** on SB 400: Sen. Bill Coleman (R- Ponca City), Sen. Nathan Dahm (R - Broken Arrow), Sen. Tom Dugger (R - Stillwater), Sen. Kay Floyd (D - Oklahoma City), Sen. Brent Howard (R - Altus), Sen. John Michael Montgomery (R - Lawton), Sen. Paul Scott (R - Duncan), Sen. Ron Sharp (R - Shawnee), Sen. Jason Smalley (R - Stroud).

Send copies of any correspondence you have with your legislators to jlewis@oml.org or fax to 405-528-7560, attn: Jodi for our records.

Bills On The Move

A Snapshot of Bills Impacting Cities and Towns

Firearms/Unlawful Carry: [HB 2597](#) by Rep. Jon Echols (R-OKC) makes a number of changes to various sections impacting firearms. Impacted is unlawful carry, exchanging firearm for current law's handgun in several statutes including on property designated by a municipality as a park, recreational area, wildlife refuge, wildlife management area and fairgrounds. Among other changes are regarding convicted felons, when firearms may be carried, firearms in vehicles, illegal aliens, transporting a loaded firearm, preemption is expanded to carrying or possession of a firearm and notification to law enforcement that the person is in actual possession of a firearm.

The bill was signed by the Governor on Wednesday after advancing from the Senate floor by a vote of 40-6.

Sales Tax Exemption/Rolling Stock: [HB 1261](#) by Rep. Hilbert (R-Depew) expands the current sales tax exemption for the sale or lease of rolling stock. This includes railroad car maintenance and retrofitting.

The bill with an emergency clause passed the House floor by a vote of 93-5. It has since been introduced in the Senate.

Law Enforcement/Eyewitness Procedures: [SB 798](#) by Sen. Julie Daniels (R-Bartlesville) is new law requiring all law enforcement agencies that conduct eyewitness identification procedures to adopt a detailed, written policy that includes a number of requirements including photo arrays and live lineups, eyewitness notification, selection of fillers, requirements after an identification is made, protocols for use of show-ups and for documenting eyewitness identification procedures. The bill contains details.

The bill advanced off the Senate floor by a unanimous vote and has since been introduced in the House.

Marijuana/Discrimination: [SB 1030](#) by Sen. Lonnie Paxton (R-Tuttle) amends medical marijuana in a variety of ways. This includes Department of Health retaining information, municipalities restricting smoking or vaping marijuana in a public place, creating an exception to existing employer/employee interaction by providing a public safety exception and adding definitions. Sales tax is 7% and nothing in the Act shall prohibit local governments from adding additional local sales taxes. Licensure revocation hearings shall be recorded, and the

Department of Health must assist law enforcement, various applicants must submit a certificate of compliance from the political subdivision and political subdivisions may adopt health and safety regulations.

The bill passed the Senate Health & Human Services Committee with the title stricken by a vote of 8-4. It is now waiting to be heard on the Senate floor.

Law Enforcement/Preemption: [SB 365](#) by Sen. Micheal Bergstrom (R-Adair) creates the Oklahoma Driving Automation System Uniformity Act by preempting counties or municipalities from regulating motor vehicles with driving automation systems. The Act supersedes any existing law or ordinance. The bill contains details.

The bill passed the Senate Public Safety Committee by a unanimous vote. It is now waiting to be heard on the Senate floor.

Law Enforcement/Telecommunication System: [HB 2037](#) by Rep. Dean Davis (R-Broken Arrow) amends the Oklahoma Law Enforcement Telecommunication System by authorizing a county sheriff who offers hosting services to assess and collect costs and fees from any agency who subscribes to the System. The bill contains details.

The bill advanced off the House floor by a unanimous vote and has since been introduced in the Senate.

Enterprise Zone/Tax Credit: [SB 473](#) by Sen. Dave Rader (R-Tulsa) amends 62 O.S. Section 842 impacting income tax credits and changing the qualifying dates for an incentive or increment district. The dates for a qualifying incentive district or increment district's creation is altered from current laws prior to December 31, 2018 to prior to December 31, 2028. Current law requires the investments or improvements to begin no later than December 31, 2019. This date is changed to not later than December 31, 2029. Companion bills is [SB 406](#) and [SB 486](#). Please note, the two dates are different in each bill.

The committee substitute passed the Senate Finance Committee by a unanimous vote. It is now waiting to be heard on the Senate floor.

Sales Tax Exemption/Proof of Eligibility: [SB 477](#) by Sen. Marty Quinn (R-Claremore) amends 68 O.S. Section 1358.1 regarding proof of eligibility for a sales tax

exemption at the time of sale and an agricultural exemption permit shall be renewable annually. Current law states every 3 years. For applications filed on or after November 1, 2019, the Tax Commission shall verify that the applicant has reported income from farming. A claim for refund for sales tax paid is provided plus the Tax Commission is authorized to create procedures.

The bill passed the Senate Finance Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the Senate floor.

Taxation/OTC: [SB 511](#) by Sen. Stephanie Bice (R-OKC) alters a couple of statutes impacting the alcohol beverage excise tax in 37A O.S. Section 5-101. This includes changes to who pays the tax and removes the exclusion for beer and alters the deadline for monthly reports to the Oklahoma Tax Commission (OTC). Several statutes in Title 68 are amended including notice to OTC of a settlement or court action affecting the ownership or right of possession of intangible personal property to determine the Commission's lien. Regarding taxes collected via a debt collection agency remitting to OTC is changed from 5 days in current law to a reasonable period of time. Remission by electric funds transfer and electronic data interchange program is also altered for persons owing \$2,500 or more per month in total sales tax in the immediately preceding twelve-month period.

The bill passed the Senate Finance Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the Senate floor.

Sales Tax Exemption/Veterans: [SB 920](#) by Sen. Adam Pugh (R-Edmond) amends the current sales tax exemption for disabled veterans by providing for a rebate for sales made on or after January 1, 2020. The rebate is paid to eligible persons who provide documentation and shall be equal to \$2,125. The bill contains details with the Tax Commission authorized to establish procedures.

The bill passed the Senate Finance Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the Senate floor.

Water/Instream Flow: [HB 1403](#) by Rep. Justin Humphrey (R-Lane) is new law authorizing OWRB to create an instream flow program to reduce the amount of water available for permitting by an amount equal to each treasured stream's respective instream flow determination. The bill contains details.

The bill passed the House Energy & Natural Resources Committee by a vote of 16-4. It is now waiting to be heard on the House floor.

Water/Groundwater Irrigation District: [HB 2263](#) by Rep. Kenton Patzkowsky (R-Balko) and Sen. Casey Murdock (R-Felt) amends 82 O.S. Section 1020.1 regarding groundwater by adding a definition for groundwater irrigation district.

The bill passed the House Energy & Natural Resources Committee by a unanimous vote. It is now waiting to be heard on the House floor.

Municipal Appeals/Grounds: [HB 1158](#) by Rep. Rande Worthen (R-Lawton) amends Title 22 regarding which cases municipalities may appeal to the Court of Criminal Appeals. It adds upon a pretrial order, decision or judgment granting immunity from criminal prosecution or civil action pursuant to 21 O.S. Section 1289.25.

The bill passed the House Judiciary Committee by a vote of 12-5. It is now waiting to be heard on the House floor.

Employment/FPAA: [HB 1968](#) by Rep. Ross Ford (R-Broken Arrow) amends the Fire and Police Arbitration Act (FPAA) by adding unfair labor practice authority to a binding arbitration board via 11 O.S. Sections 51-107 and 51-108. In addition, unionization elections are authorized by the Oklahoma Department of Labor. The bill contains details.

The bill passed the House Judiciary Committee by a unanimous vote. It is now waiting to be heard on the House floor.

Workers' Compensation: [HB 2367](#) by Rep. Chris Kannady (R-OKC) contains over 170 pages altering a number of sections of the Workers' Compensation Act. There are several statutes that are repealed. The bill contains details.

The committee substitute passed the House Judiciary Committee by a unanimous vote. It is now waiting to be heard on the House floor.

Law Enforcement/Electronic Data: [SB 389](#) by Sen. Nathan Dahm (R-Broken Arrow) prohibits the State, political subdivisions and others from obtaining metadata, stored data or transmitted data of an electronic device without a court order or search warrant. The bill provides definitions, exceptions, penalty section and details.

The bill passed the Senate Judiciary Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the Senate floor.

Condemnation/Commissioners Report: [SB 632](#) by Sen. Rob Standridge (R-Norman) amends 66 O.S. Section 55 by adding new law where the award of the court-appointed commissioners is \$75,000 or less. The condemning party may serve the defendant with an offer of judgment no sooner than 120 days after the commissioner's award and no later than 20 days prior to trial. The bill contains details.

The bill passed the Senate Judiciary Committee with the title stricken by a vote of 8-4. It is now waiting to be heard on the Senate floor.

Pension/Firefighters: [HB 2269](#) by Rep. Josh West amends the Firefighter Pension System regarding the calculation of straight life annuity in 11 O.S. Section 49-106.2 by adding language on interest rates. In addition, all pension benefits including payments from the deferred option plan shall be paid from the general assets of the Fund. Also, changes are made to probate procedure following a member's death.

The bill with an emergency measure passed the House Banking, Financial Services, Pensions Committee by a unanimous vote. It is now waiting to be heard on the House floor.

Pension/COLA: [HB 2304](#) by Rep. Avery Frix (R-Muskogee) amends the Oklahoma Pension Legislation Actuarial Analysis Act by amending the definition of nonfiscal retirement bill to include an 8% COLA for those receiving benefits from the state retirement systems including the Firefighters and Police. The bill contains details.

The bill passed the House Banking, Financial Services, Pensions Committee by a unanimous vote. It is now waiting to be heard on the House floor.

CIB/Uniform Building Code Commission Act: [HB 1232](#) by Rep. Mark McBride (R-Moore) makes extensive changes. It authorizes the Construction Industries Board (CIB) to implement and administer the Oklahoma Uniform Building Code Commission Act and the Roofing Contractor Registration Act. This regulation includes rule-making for the Building Code Act as well as the roofing trades, the CIB appeal authority is expanded to prescribe standards and practices by reviewing and adopting all building codes plus a number of other alterations including rule-making and advisory opinions for interpretation of statewide building codes. 59 O.S. Sections 1000.26 and 1000.27 are repealed.

The bill was laid over in the House Business and Commerce Committee on Wednesday.

Water/Funding: [SB 539](#) by Sen. Darcy Jech (R-Kingfisher) amends apportionment of gross production tax for the Community Water Infrastructure Development Revolving Fund, the OWRB Rural Economic Action Plan Water Projects Fund, Conservation Commission Infrastructure Revolving Fund and the Tourism and Recreation Department Capital Expenditure Fund. The apportionment currently expires on June 30, 2019. It is extended to June 30, 2022. This bill also amends the distribution of the gross production tax by changing the date to July 17, 2018 for the levy on natural gas and for the levy on oil. A companion bill is [SB 557](#). Please note the extended date is different.

With the title restored, the bill and emergency clause passed the Senate by a unanimous vote. It has since been introduced in the House.

Sales Tax Exemption/American Legion: [HB 1003](#) by Rep. Mike Sanders (R-Kingfisher) adds a sales tax exemption for the American Legion. See companion bill [SB 8](#).

The bill passed the House A&B Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the House floor.

Funding/Aggregate Materials: [HB 1404](#) by Rep. Justin Humphrey (R-Lane) is new law authorizing a tax levy of 7% to provide revenue to counties and municipalities to compensate for costs of damage to roads and bridges due to heavy vehicles engaged in the transportation of aggregate materials extracted in the area. The bill contains details.

The committee substitute passed the House A&B Committee by a vote of 19-10. It is now waiting to be heard on the House floor.

Housing Tax Credit: [HB 1425](#) by Rep. Ben Loring (D-Miami) amends 14A O.S. Section 2-417 regarding regulation of a surcharge on the use of a credit card or debit card. The bill authorizes municipalities and a public trust with a municipality as a beneficiary to also add, on an online transaction, the cost of providing for secure transaction, portal fees, and fees necessary to compensate for increased bandwidth. These may also be added to the service fee. Also amended is 28 O.S. Section 151 regarding clerks of the district court and other trial courts of record to charge and collect a service fee for the acceptance of the nationally recognized credit or debit card. The bill contains details.

The committee substitute passed the House A&B Committee by a unanimous vote. It is now waiting to be heard on the House floor.

Nursing Home/Reimbursement Plan: [HB 1902](#) by Rep. Marcus McEntire (R-Duncan) amends current law by giving exclusive authority to the Oklahoma Health Care Authority to develop an incentive reimbursement rate plan for nursing facilities. The detailed bill provides an incentive of extra funding with other funds deducted from the nursing facility's per diem rate, establishment of an advisory group and a pay-for-performance program. Changes are also made for reimbursement for Intermediate Care Facilities for Individuals with Intellectual Disabilities, staffing ratios, base year prospective direct care rate component, calculation of new average rate and new training requirements. Companion bill is [SB 954](#).

The bill passed the House A&B Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the House floor.

Sales Tax Exemption/Forestry Equipment: [HB 2303](#) by Rep. Johnny Tadlock (R-Idabel) creates a new sales tax exemption for commercial forestry service equipment. The bill contains details.

The bill passed the House A&B Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the House floor.

Taxation/Remote Sellers: [HB 2352](#) by Rep. Chad Caldwell (R-Enid) removes remote sellers from various sections of Title 68 regarding the collection of remote sellers and marketplace facilitators. Among the changes is new law for remote sellers with aggregate sales within this state or delivered to locations within this state worth at least \$100,000. The bill contains details.

The bill passed the House A&B Committee by a unanimous vote. It is now waiting to be heard on the House floor.

Sales Tax Exemptions/Motor Vehicles: [HB 2355](#) by Rep. Chad Caldwell (R-Enid) amends various sections in Title 68 regarding sales tax exemptions for motor vehicles.

The bill passed the House A&B Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the House floor.

Sales Tax Exemption/Nonprofits: [HB 2530](#) by Rep. Meloyde Blancett (D-Tulsa) creates a new sales tax exemption for a tax-exempt organization whose primary purpose is to provide community access to advanced 21st century manufacturing and digital fabrication tools. The bill contains details.

The bill passed the House A&B Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the House floor.

Sales Tax Exemption/High-Speed Internet: [HB 2595](#) by Rep. Jon Echols (R-OKC) creates a new sales tax exemption for sales of tangible personal property to be used for the construction or upgrade of high-speed Internet communications systems. The bill contains details.

The bill passed the House A&B Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the House floor.

Marijuana/Taxation: [SB 307](#) by Sen. Julie Daniels (R-Bartlesville) alters the medical marijuana state question regarding taxation. It provides that in addition to the 7% excise tax on gross "sales", such sales are also subject to state sales tax and any applicable county and local sales tax. Tax proceeds shall be deposited in the Oklahoma Medical Marijuana Tax Revenue Fund to be appropriated by the Legislature for the Department of Health, substance abuse prevention and treatment programs and common education.

The bill passed the Senate Appropriations Committee with the title stricken by a vote of 14-7. It is now waiting to be heard on the Senate floor.

Sales Tax Exemption/Disabled Veterans: [SB 310](#) by Sen. Frank Simpson (R-Ardmore) expands the current sales tax exemption for disabled veterans by including disability from medical treatment or vocational rehabilitation services provided by the U.S. Department of Veterans Affairs. In addition, the current surviving spouse exemption is enlarged to allow the sales tax exemption if the surviving spouse is 57 or older at the time of remarriage, has been awarded Dependency and Indemnity Compensation at any time after the death of the veteran spouse and have registered with the veteran's registry. Also, the dollar limit for the surviving spouse is increased from \$1,000 per year to \$12,500 per year. Finally, a surviving dependent who is an Oklahoma resident of the veteran is allowed the sales tax exemption under conditions in the bill. The bill contains details.

The bill's committee substitute passed the Senate Appropriations Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the Senate floor.

Law Enforcement/Mental Health Transport: [SB 609](#) by Sen. David Bullard (R-Durant) amends municipal law enforcement's responsibility for transporting any

individual found or initially contacted within such municipality's jurisdiction. Initially contacted shall include contact made by a law enforcement officer, firefighter, EMT or health care provider, either in person or by electronic or telephone communication. Reimbursement for transportation is also changed. For transportation by a sheriff or peace officer on behalf of any county or municipality, within a 20-mile radius from the transporting sheriff's office, shall be reimbursed in accordance with the State Travel Reimbursement Act. Any transportation provided outside the 20-mile radius from the transporting sheriff's office shall be reimbursed at a rate negotiated with the Department of Mental Health and Substance Abuse Services prior to transporting to or from any facility. Current law does not contain the 20-mile radius limitation.

The committee substitute passed the Senate Appropriations Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the Senate floor.

Municipal Court/Fines: [SB 618](#) by Sen. Darcy Jech (R-Kingfisher) amends various sections of Title 22. Impacted is Section 983 regarding those who are found guilty of nonpayment of fines, cost, fees, assessments. The bill adds, if after notice and hearing it is found the defendant is financially able but willfully refuses or neglects to pay the district court or municipal court may send notice to DPS with a recommendation to suspend driving privileges. Other statutes are changed including waiving outstanding fines, costs and fees, probation, payment plan to pay a fine, court cost, fee or assessment and suspended sentence. The bill contains details.

The bill passed the Senate Appropriations Committee with the title stricken by a unanimous vote. It is now waiting to be heard on the Senate floor.

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.

Future Issues

Look for the Legislative Advocate to highlight bills that exemplify the ways in which municipalities are squeezed dry. 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.
