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<i>The Advocate</i> is published the Oklahoma Municipa League. Forward your comments or suggestions	al

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On Thursday, May 23, the Legislature completed their work for the 1st Session of the 57th Legislature and adjourned Sine Die. Through the passage of <u>SCR0005</u>, the Senate or House could reconvene at any time prior to 5:00 p.m. on May 31 on mutual agreement of the Senate President Pro Tempore and the House Speaker (upon 24 hours' notice of the members of the reconvening chamber). However, if lawmakers do not return to the Capitol before May 31, the session will automatically adjourn sine die at 5:00 p.m. that day.

MEDICAL MARIJUANA BILL SENT TO GOVERNOR

More than 80 bills remain on the Governor's desk, including one of OML's priority bills – <u>SB1030</u>. This bill by Sen. Paxton (R – Tuttle) and Rep. Bush (R – Tulsa) addresses the municipal issues with medical marijuana in a variety of ways. This includes law enforcement, protection from loss of federal benefits, clarification of zoning practices, and cite and release language regarding marijuana possession violations. On Wednesday morning, May 22, SB1030 passed in the Senate with a vote of 41 – 5; it was added to the House's floor agenda that afternoon and passed 76 – 7. We have reached out to the Governor's office to encourage him to sign this important piece of municipal legislation.

THANK YOU

A special thank you to everyone who called, emailed, and visited with your legislators at the Capitol and back home in their districts about bills with significant municipal impacts. With your help, we have seen several pieces of positive legislation signed into law and several negative bills stopped. We are beginning to work on the annual *Sine Die Report*, which captures the major issues tracked by OML during the 1st Session of the 57th Oklahoma Legislature. The *Sine Die Report* will be available next month.

Bills on the Move A Snapshot of Bills Impacting Cities and Towns

Sales Tax Exemption/Forestry Equipment: <u>HB 2303</u> by Rep. Johnny Tadlock (R-Idabel) and Sen. David Bullard (R-Durant) creates a new sales tax exemption for commercial forestry service equipment. The bill contains details.

The bill was heard in conference, but conferees were unable to agree.

Sales Tax Exemption/Motor Vehicles: <u>HB 2355</u> by Rep. Chad Caldwell (R-Enid) and Sen. Kim David (R-Porter) amends various sections in Title 68 regarding sales tax exemptions for motor vehicles.

The bill was heard in conference, but conferees were unable to agree.

Sales Tax Exemption/Disabled Veterans: <u>SB 310</u> by Sen. Frank Simpson (R-Ardmore) and Rep. Nicole Miller (R-Edmond) 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. The dollar limit for the surviving spouse is increased from \$1,000 per year to \$5,000 per year. The bill provides details.

The bill was heard in conference, but conferees were unable to agree.

Courts/Pretrial Release Act: <u>SB 252</u> by Sen. Roger Thompson (R-Okemah) and Rep. Chris Kannady (R-OKC) amends various sections of Title 22 regarding bail, conditions of release by a police officer of an individual arrested for several domestic abuse/assault/stalking, initial appearance, pretrial release, and the like. The bill contains extensive details.

The conference committee report has been submitted to the House.

Elections/Election Officials: <u>SB 444</u> by Sen. Darcy Jech (R-Kingfisher), Sen. Mary Boren (D-Norman), and Rep. Harold Wright (R-Weatherford) makes a variety of changes to elections. Included are changes to county election boards, alterations for precinct officials including training and increased pay, cost shifting to the entity for which the election is being conducted, location of polling places and the like. 26 O.S. Section 2-128.2 is repealed. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Mining/Maratorium: <u>SB 1080</u> by Sen. Greg Treat (R-OKC) and Rep. Charles McCall (R-Atoka) amends Section 3 of Enrolled House Bill 2471 by adding final rules shall provide for effective interagency consultation and coordination of activities among the Board, the Department of Mines and the Department of Environmental Quality. The Board is the Oklahoma Water Resources Board.

The bill has been sent to the Governor and is now awaiting action.

Ethics Commission/Rule Disapproval: <u>SJR 22</u> by Sen. Greg McCortney (R-Ada) and Rep. Johnny Tadlock (R-Idabel) disapproves the proposed amendments to the Rules of the Ethics Commission, submitted to the Legislature on February 4, 2019: Rules 2.2, 2.33, 2.37, 2.41, 2.81, 4.18, 4.22, 5.3, 5.5 and 5.25.

The bill has been sent to the Governor and is now awaiting action.

Employment/Prohibition: <u>HB 1259</u> by Rep. Kyle Hilbert (R-Depew) and Sen. Lonnie Paxton (R-Tuttle) amends voting within an election enclosure and absentee by authorizing the voter to take a digital image or photograph of his/her marked ballot. It may be shared via social media or other means if performed voluntarily and incompliance with the law. If voting absentee, specific prohibitions are made regarding testimony. No employer, supervisor, or a person with authority or influence over another person shall require that person to distribute or share an image of the voted ballot. There is a penalty provision.

The bill has been sent to the Governor and is now awaiting action.

Sales Tax Exemptions/Medicare Reimbursement: <u>HB</u> <u>1262</u> by Rep. Kyle Hilbert (R-Depew) and Sen. James Leewright (R-Bristow) expands the current sales tax exemption in 68 O.S. Section 1357.6 for drugs, eyeglasses, hearing aids, prosthetic devices and the like. Added is sales of medical equipment including prosthetic devices, durable medical equipment and mobility-enhancing equipment as defined in Section 1357.6. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Workers' Compensation/Comprehensive: <u>HB 2367</u> by Rep. Chris Kannady (R-OKC) and Sen. Julie Daniels (R-Bartlesville) contains over 160 pages altering a number of sections of the Workers' Compensation Act. Among the many changes is the definition of a compensable injury. Also, no wages paid in excess of the statutory temporary disability maximum, pursuant to a collective bargaining agreement, shall be deducted from any benefit otherwise available under this title. Several statutes are repealed. The bill contains comprehensive details.

The bill has been sent to the Governor and is now awaiting action.

Railroads/Blocking Traffic: <u>HB 2472</u> by Rep. Charles McCall (R-Atoka) and Sen. Jason Smalley (R-Stroud) is new law prohibiting a railcar being brought to rest and blocking vehicular traffic at a railroad intersection with a public highway or street for longer than 10 minutes. Law enforcement has authority to issue citations with fines established. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Marijuana/Licensing: <u>HB 2601</u> by Rep. Scott Fetgatter (R-Okmulgee) and Sen. Greg McCortney (R-Ada) amends state-issued medical marijuana licenses. A referring physician is authorized to notify the Oklahoma Medical Marijuana Authority to revoke a license under conditions in the bill. Physician is also defined. A county may assess fees from licensees or caregivers who, upon request and approval by the county where the person currently resides, exceed the maximum possession limits established by law. The Department of Health is given a number of duties including investigation, inspection and the like.

The bill has been sent to the Governor and is now awaiting action.

Alcohol Sales/Church Location: <u>HB 1640</u> by Rep. Ryan Martinez (R-Edmond) and Sen. Adam Pugh (R-Edmond) authorizes churches to waive the 300-foot requirement in current law for the location of a mixed beverage establishment, beer and wine establishment or bottle club. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Nursing Facility/Long-Term Care: <u>SB 280</u> by Sen. Frank Simpson (R-Ardmore) and Rep. Marcus McEntire (R-Duncan) makes detailed changes to the Oklahoma Health Care Authority developing an incentive reimbursement rate plan for nursing facilities. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Marijuana/Discrimination: SB 1030 by Sen. Lonnie Paxton (R-Tuttle) and Rep. Carol Bush (R-Tulsa) amends medical marijuana in a variety of ways. This includes law enforcement, employer discrimination prohibition, and clarification of planning and zoning authority. Those in possession of up to 1.5 ounces of marijuana by persons who can state a medical condition, but not in possession of a state-issued medical marijuana license, shall not be subject to imprisonment. A citation shall be issued and upon receiving a written promise to answer, he/she shall be released upon personal recognizance unless there has been a violation of another law. Current law provides that unless a failure to do so would cause an employer to "imminently" lose a monetary or licensing-related benefit under federal law or regulations an employer may not discriminate. The amendment changes "imminently" to "the potential". In planning and zoning the bill defines current law's prohibition to "unduly change or restrict" zoning laws to prevent the opening of a retail marijuana establishment. It means an act which entirely prevents these establishments from operating within municipal boundaries as a matter of law. Municipalities may follow standard planning and zoning procedures to determine location of marijuana licensed premises, businesses or premises where marijuana is cultivated, grown, processed, stored or manufactured. Retail marijuana establishment is also defined and there is clarification on what is not a retail establishment. In addition, licensure revocation hearings shall be recorded, and the Department of Health must assist law enforcement. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Bidding/Retainage: <u>HB 1114</u> by Rep. Kevin West (R-Moore) and Sen. Roland Pederson (R-Burlington) amends 61 O.S. Section 226 authorizing the retainage not to exceed 5% to be reduced to 2.5% with respect to the balance of the work to be performed, once the contractor's work is at least 50% complete. A subcontract "shall" include retainage, current law is "may". The terms of the subcontract retainage are the same as above.

The bill has been sent to the Governor and is now awaiting action.

State/Performance Audits: <u>SB1</u> by Sen. Greg Treat (R-OKC) and Rep. Charles McCall (R-Atoka) creates the

Legislative Office of Fiscal Transparency (LOFT) which will conduct performance evaluations of executive branch agencies, programs, activities or functions. The bill provides details.

The bill has been sent to the Governor and is now awaiting action.

Employment/Workplace Violence Act: <u>SB 715</u> by Sen. Lonnie Paxton (R-Tuttle) and Rep. Chris Kannady (R-OKC) is new law impacting employers whose employee has suffered unlawful violence or a credible threat which can reasonably be construed to be carried out, or was carried out, at the workplace. The bill authorizes the employer to seek an emergency ex parte order or final protective order issued under the Protection from Workplace Violence Act. The bill contains extensive details.

The bill has been sent to the Governor and is now awaiting action.

Water/Groundwater Irrigation District: <u>SB 998</u> by Sen. Casey Murdock (R-Felt) and Rep. Kenton Patzkowsky (R-Balko) impacts the prohibition on any groundwater user committing waste as defined in 82 O.S. Section 1020.15 by removing the word fresh groundwater. New law provides a regulatory framework for taking and using marginal water. When in accordance with Groundwater Law and OWRB rules it is considered a beneficial use and not waste. Details include rules for well construction standards, spacing and water use reporting. Use of marginal water is in addition to any domestic use or any other use authorized via permit. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Farmers Markets/Licenses: <u>SB 544</u> by Sen. Casey Murdock (R-Felt) and Rep. Carl Newton (R-Cherokee) amends 63 O.S. Section 1-1118 regarding licensing of food establishments by the State Commissioner of Health. It authorizes a three-day license for vendors who only sell at farmers markets or county fairs. The license shall cost no more than \$50. The bill contains details.

The bill has been sent to the Governor and is now awaiting action.

Bills Signed/Vetoed by the Governor

Law Enforcement/Identification: <u>HB 1014</u> by Rep. Carol Bush (R-Tulsa) and Sen. Wayne Shaw (R-Grove) mends 47 O.S. Section 6-110.2 by authorizing the OSBI to have access, without a court order, to information collected via the use of computerized finger imaging. The information is used for the purpose of identifying a person who is deceased, missing or endangered.

The bill will take effect on November 1, 2019.

Law Enforcement/Mobile Phone: <u>HB 1044</u> by Rep. Ryan Martinez (R-Edmond) and Sen. Adam Pugh (R-Edmond) amends 47 O.S. Section 11-901c impacting operating a commercial motor vehicle or public transit while using electronic communication devices. An exception is made for using a hand-held mobile telephone by a public school bus driver to and from a central dispatch school transportation department or its equivalent.

The bill will take effect on November 1, 2019.

Bidding/Preference: HB 1885 by Rep. Chelsey Branham (D-OKC) and Sen. James Leewright (R-Bristow) amends 60 O.S. Section 176 and 61 O.S. Section 103 by providing that construction contracts may provide for a local bid preference of not more than 5% if the awarding public trust governing body determines there is an economic benefit to the local area or economy. No preference shall be granted unless the local bidding entity is the second lowest qualified bid. The local bidder or contractor must agree to perform the contract for the same price and terms as the bid proposed by the nonlocal bidder or contractor. Local bid means the bidding person is authorized to do business in Oklahoma and maintains a bona fide establishment for transacting business. This provision does not apply to any construction contract for which federal funds are available for expenditure when its provisions may be in conflict with federal law or regulation. The local preference amendment to 61 O.S. Section 103 is the same, except it applies to public construction contracts exceeding \$50,000. The bill contains details.

The bill will take effect on November 1, 2019.

Firearms/Self-Defense Act: <u>HB 2286</u> by Rep. Harold Wright (R-Weatherford) and Sen. Wayne Shaw (R-Grove) is a comprehensive amendment of various sections of Title 21. Included are changes to firearms for law enforcement officers and firearm licenses. The bill contains details.

The bill will take effect on November 1, 2019.

Finance/Bonds: HB 2305 by Rep. Avery Frix (R-Muskogee) and Sen. Dewayne Pemberton (R-Muskogee) amends 61 O.S. Section 2 impacting the agency, institution, department, commission, municipality or government instrumentality that is authorized and enters into contracts for construction of public improvements or buildings, or on a public-private partnership project, or for repairs. Any person who is due payment for labor, material or repair to machinery or equipment, shall file a claim or bring action on the bond for recovery. The deadline is after one (1) year from the day the last labor was performed, or material or parts furnished for which the claim is made unless a prior claim has been filed within 1 year from the day on which the labor was performed or material or parts furnished. In this case, no action shall be brought on the bond after two (2) years from the day on which the last of the labor was performed or material or parts furnished for which the claim is made.

The bill will take effect on November 1, 2019.

Water/OWRB: <u>HB 2474</u> by Rep. Charles McCall (R-Atoka) and Sen. Frank Simpson (R-Ardmore) amends 82 O.S. Sections 105.11 and 1020.8 requiring the Oklahoma Water Resources Board to publish on its website the applications for stream water and ground water permits and instructions for public notice, including the draft public notice prepared by the Board. The website publication is due at the time the Board provides notice of application to the applicant. This is in addition to requirements for applicants to publish notice in the newspaper. The time to protest shall run from the date of the first newspaper publication. Notice required by these Sections shall include a thirty-day protest period. The bill contains details.

The bill will take effect on November 1, 2019.

Sales Tax Exemption/Nonprofits: <u>HB 2530</u> by Rep. Meloyde Blancett (D-Tulsa) and Sen. Roger Thompson (R-Okemah) creates a new sales tax exemption for a taxexempt organization whose primary purpose is to provide community access to advanced 21st century manufacturing and digital fabrication tools. The bill contains details.

The bill will take effect on November 1, 2019.

Taxation/Remote Sellers: <u>SB 513</u> by Sen. Stephanie Bice (R-OKC) and Rep. Chad Caldwell (R-Enid) amends sales and use tax remittance by remote sellers. Among the changes in current law is deletion of remote sellers

leaving a marketplace facilitator or a referrer for those in 68 O.S. Section 1392(A)-(F) defined as sales worth at least \$10,000. In new Section G, a remote seller is redefined as aggregate sales or delivery to locations within the state worth at least \$100,000 during the preceding or current calendar year shall collect and remit the tax. Sales made by a remote seller via a marketplace forum or a referrer's platform where the tax is collected and remitted by the marketplace facilitator or referrer shall not be included in determining whether the remote seller has met the threshold amount. Remote seller is also generally removed from Sections 1393-1396. When mentioned, reference is made to the new Section 1392(G). The bill provides details.

The bill will take effect on November 1, 2019.

Alcoholic Beverage/License: SB 804 by Sen. Stephanie Bice (R-OKC) and Rep. Marcus McEntire (R-Duncan) amends 37A O.S. Section 6-102 by providing that a mixed beverage or beer and wine licensee shall not be deemed to have violated paragraph 5 of subsection A if it allowed a patron to leave the premise with an open container of beer or wine. This applies on the day of a scheduled home football game of institutions within the Oklahoma State System of Higher Education between 8 a.m. to midnight, if the licensee is participating by invitation in a municipally sanctioned art, music or sporting event within the city limits with the municipality providing written notice of the event and a list of invited licensees to the ABLE Commission or the patron remains on the connected, physical property of the licensee or in a public area adjacent with prior municipal approval with notice provided to the ABLE Commission. The bill contains details.

The bill took effect on May 20, 2019.

Firearms/Self-Defense Act: <u>HB 1214</u> by Rep. Carl Newton (R-Cherokee) and Sen. Stephanie Bice (R-OKC) amends the Oklahoma Self-Defense Act regarding residency requirements for application for a handgun license.

The bill will take effect on November 1, 2019.

Health Insurance/Prescription Access: <u>HB 2632</u> by Rep. Jon Echols (R-OKC) and Sen. Greg McCortney (R-Ada) is new law creating the Patient's Right to Pharmacy Choice Act to establish minimum and uniform access to a provider and standards and prohibitions on restrictions of a patient's right to choose a pharmacy provider. The focus is on retail pharmacy networks including coverage percentage requirements for retail pharmacy designated as a preferred participating pharmacy, regulation of pharmacy benefits managers including prohibitions on contracts, with job duties for health insurers and the Oklahoma Insurance Department. The bill provides details.

The bill will take effect on November 1, 2019.

Optometry/Regulation: <u>SB 100</u> by Sen. Kim David (R-Porter) and Rep. Carl Newton (R-Cherokee) amends various sections of Title 59 impacting the regulation of licensed optometrists including allowing within or adjacent to a retail store. The bill also contains new law and it repeals 59 O.S. Section 594 and 596. The bill contains extensive details.

The bill will take effect on November 1, 2019.

DEQ Boards/Audit Act: <u>SB 1027</u> by Sen. Nathan Dahm (R-Broken Arrow) and Rep. Tom Gann (R-Inola) amends current law to provide four DEQ Boards and Councils shall be created until July 1, 2020.

The bill will take effect on November 1, 2019.

Marijuana/Foreclosure: <u>SB 532</u> by Sen. Michael Brooks (D-OKC) and Rep. Scott Fetgatter (R-Okmulgee) is new law regarding a licensed medical marijuana dispensary, commercial grower or processor is foreclosed, is the subject of an order appointing a receiver, becomes insolvent, bankrupt or otherwise ceases operations. A secured party or receiver may continue operations upon submitting to the Oklahoma Medical Marijuana Authority, State Department of Health, proof of a financial interest. The bill contains details including rulemaking authority.

The bill will take effect on November 1, 2019.

Health Insurance/Prescription Access: <u>SB 841</u> by Sen. Greg McCortney (R-Ada) and Rep. Marcus McEntire (R-Duncan) is new law creating the Prescription Access and Affordability Act to establish minimum and uniform access standards and prohibitions on restriction of the right of a patient to choose a pharmacy provider. The focus is on retail pharmacy networks including coverage percentage requirements for retail pharmacy designated as a preferred participating pharmacy, regulation of pharmacy benefits managers including prohibitions on contracts, with job duties for health insurers and the Oklahoma Insurance Department. The bill provides details.

The bill was <u>vetoed</u> by the Governor on May 1, 2019.

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.