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Oklahoma Municipal League

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OML ADVOCATE

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CONDOLENCES FOR REP. DAVID BRUMBAUGH'S FAMILY

Our thoughts and prayers go out to the family of Rep. David Brumbaugh (R-Broken Arrow) who suddenly passed away last Saturday. Rep. Brumbaugh was a member of the House of Representatives since 2011. We at OML enjoyed working with him. He was a man of integrity and will be greatly missed by his fellow House members and those who had the opportunity to work with him.

JCAB BILLS BEING FILED TO FILL BUDGET HOLE

Last week, the House filed 15 with an anticipation of at least 60 of the JCAB bills to be filed in order to create and fix the \$878 million dollar budget hole. These bills are bills designed to create and fix the budget hole that the State is trying to fill.

The first set of what is known as Joint Committee Appropriation and Budget (JCAB) bills were heard this week. JCAB bills can be filed at any time. There were almost 40 of them filed today. As of now, most are considered shell bills and can have language dropped in them at any time.

The bills are being divided up into two different categories: 51s and 76s. The "51s" are bills that make changes to tax credits, deductions and exemptions and do not require a super majority to pass. The "76s" bills are considered revenue raising measures and requires a three-fourths vote in both the Senate and the House.

Some of the JCAB bills that were passed this week are as follows:

[HB 2350](#) by Rep. Leslie Osborn (R-Mustang) and Sen. Kim David (R-Porter) eliminates two sales tax exemptions provided for the sale of tickets to qualified professional athletic and sporting events. Projected fiscal impact: \$1.9 million

[HB 2343](#) by Rep. Leslie Osborn (R-Mustang) and Sen. Kim David (R-Porter) modifies the definition of noncompliant taxpayer to mean any taxpayer operating under a sales tax permit who fails to file two reports or remit tax dues for any 2 month within a twenty-four month period as required under the provisions of any tax law. The expanded definition would increase taxpayer compliance by extending the procedures for noncompliance currently used in the sales tax code to other tax types with the exception of income tax. Projected impact: \$17 million in FY 2018.

BILLS ON THE MOVE

Airport Inspections: [SB 254](#) by Sen. Adam Pugh (R-Edmond) and Rep. Harold Wright (R-Weatherford) authorizes the Oklahoma Aeronautics Commission to administer an airport inspection program for all public-use airports on a three year cycle. Airport owners shall provide access to facilities. A written report will be provided to each public-use airport.

The bill passed the House by a vote of 83-4. It is now on the Governor's desk waiting for action.

Alcoholic Beverages/Sales: [SB 646](#) by Sen. Stephanie Bice (R-OKC) and Sen. Glen Mulready (R-Tulsa) is a bill exceeding 30 sections and 110 pages impacting alcoholic beverage sales and licensing in a number of ways. Included are changes to several definitions in the Oklahoma alcoholic Beverage Control Act and the repeal of seven existing statutes.

The bill awaits a hearing on the House floor.

Alcoholic Beverage/Taxes: [SB 58](#) by Sen. Stephanie Bice (R-OKC) and Rep. Glen Mulready (R-Tulsa) amends the allocation of the alcoholic beverage tax in 37A O.S. Section 5-104 by changing the base calculation. Current law is two-thirds of ninety-seven percent is paid to the State General Fund. This is changed to two-thirds of 100% paid to the general fund. Similar changes are also made to the one-third paid to counties and apportioned to all incorporated cities and towns in the county with a new not to exceed amount of \$13 million in any fiscal year. The Oklahoma Tax Commission loses three percent which under current law. If the amount exceeds \$13 million in any fiscal year, it is apportioned to the State General Fund.

The bill awaits a hearing on the House floor.

Auditing Standards: [SB 354](#) by Sen. David Holt (R-OKC) and Rep. Mike Osburn (R-Edmond) modifies language related to auditing standards for municipalities.

The bill passed the House by a vote of 88-0. It is now on the Governor's desk waiting for action.

Auditing Standards: [SB 358](#) by Sen. David Holt (R-OKC) and Rep. Mike Osburn (R-Edmond) modifies language related to auditing standards for public trusts.

The bill passed the House by a vote of 88-0. It is now on the Governor's desk waiting for action.

Building Codes/Churches: [SB 312](#) by Sen. Frank Simpson (R-Ardmore) and Rep. Pat Ownbey (R-Ardmore) alters the code for churches that temporarily accommodate overnight visitors. It offers a new alternative for a hard-wired stand-alone fire and smoke alarm in addition to illuminated interior exit signs, a means of egress from the interior overnight accommodations area to the exterior of the building. Temporary is redefined to be no more than 75 days. Current law is no more than 40 days.

The bill passed the House Appropriations and Budget Committee on Monday. It awaits a hearing on the House floor.

Building Code/Validity: [SB 283](#) by Sen. Dan Newberry (R-Tulsa) and Rep. Mike Osburn (R-Edmond) amends 59 O.S. Section 1000.23 impacting training and certification programs and related costs with a priority to inspectors employed by the state or any political subdivision. Building codes and standards adopted by the state, municipalities and other political subdivisions shall be valid and in effect "when such building codes and standards are in compliance with the uniform building codes and standards" adopted by the Oklahoma Uniform Building Code Commission "or such building codes and standards are authorized by 11 O.S. Section 14-107 and have been submitted to the Commission." Changes are also made to the Commission's website including updating state and subdivision building codes and standards at least annually, obtaining and posting, at no cost to the Commission, all or part of detailed building codes adopted by a municipality or county which are different from codes adopted by the Commission. Changes are made to 11 O.S. Section 14-107 regarding subdivisions enforcing higher building codes than the adopted by the Uniform Building Code Commission. New law is created enlarging the power of the Construction Industries Board in a variety of ways.

The bill is awaiting a hearing on the House floor.

CAFO/Setbacks: [HB 1304](#) by Rep. Murdock (R-Felt) and Sen. Darcy Jech (R-Kingfisher) amends concentrated swine feeding operations (CAFO) statutes by altering the definition of CAFO to include any new operation established after November 1, 2011, with more than 100 animal units. In addition, the restriction on locating a CAFO within three (3) miles of a municipality is changed by authorizing the governing body to execute a written waiver of the setback. A change in ownership of the operation shall not affect the waivers validity.

The bill passed the Senate by a vote of 37-1. It is now on the Governor's desk waiting for action.

CLEET/Meals: [SB 89](#) by Sen. Greg McCortney (R-Ada) and Rep. Todd Thomsen (R-Ada) increases the CLEET registration fee from \$20 to \$30 per pay to cover the costs of breakfast, lunch and "dinner" provided by CLEET.

The bill passed the House by a vote of 65-25. It is now in the Senate for amendments to be accepted or rejected.

Dilapidated Structure/Local Agent: [HB 1381](#) by Rep. Carol Bush (R-Tulsa) and Sen. Dave Rader (R-Tulsa) amends 11 O.S. Section 22-110.1 by creating a new Subsection E. Nothing shall prohibit a municipality from requiring the owner of property that is subject to any abatement process provided in this title to provide the name, physical address and telephone number of an individual to receive and respond to communications concerning the property subject to the abatement process. No future action taken by the municipality shall be rendered ineffective due to the failure of the property owner to provide the information pursuant to this subsection. The municipality shall not assess any additional charge when requiring the information.

The bill passed the Senate by a vote of 37-7. It is now on the Governor's desk waiting for action.

Drones/Agricultural Property: [HB 1326](#) by Rep. Casey Murdock (R-Felt) and Sen. Lonnie Paxton (R-Tuttle) regulates unmanned aircraft over agricultural property. There is an exception for the federal government, the state or a political subdivision, their contractor and a law enforcement agency and its contractors. There is a penalty section.

The bill awaits a hearing on the Senate floor.

Elections/Municipal Costs: [SB 146](#) by Sen. Eddie Fields (R-Wynona) and Rep. Todd Russ (R-Cordell) amends various election statutes. Included are changes to 26 O.S. 3-105.1 which expands election costs for counties, municipalities, school districts and other governmental entities. Included are costs for staff time, mileage reimbursement, consumable supplies and materials. In addition, 26 O.S. Section 3-108.1 is amended to expand the costs for the above entities if the election is not held concurrently with a federal or state election. The bill contains detailed costs and charges.

The bill passed the House by a vote of 59-29. It is back in the Senate for amendments to be accepted or rejected.

Employment/Employment Agents: [HB 1233](#) by Rep. Mike Osburn (R-Edmond) and Sen. Adam Pugh (R-Edmond) changes from the Department of Labor to any court of competent jurisdiction in handling matters regarding not fulfilling contract made through employment agents in 40 O.S. Section 46. The penalty section in 40 O.S. Section 57 is altered to authorize any "applicant or employee" to seek criminal enforcement through request made to any district attorney or the Attorney General. 40 O.S. Section 35, 38 and 53 are repealed.

The bill passed the Senate by a vote of 43-1. It is now on the Governor's desk waiting for action.

Employment/National Guard: [SB 233](#) by Sen. Frank Simpson (R-Ardmore) and Rep. Tommy Hardin (R-Madill) amends 44 O.S. Section 209 regarding a leave of absence for all officers and employees of the state or a political subdivision who are called to military duty. During the first 30 calendar days for employees of political subdivisions or the first 30 regular scheduled work days for state employees, "or not to exceed 240 hours," of the leave of absence in any federal fiscal year, the officers or employees shall receive their full regular pay from the employing state agency or political subdivision. Provision is also made for "any subsequent contingency operation declared by the Secretary of Defense. The same change is made to 72 O.S. Section 48.

The bill passed the House by a vote of 87-0. It is now on the Governor's desk waiting for action.

Evidence Code/Vulnerable Person: [SB 692](#) by Sen. AJ Griffin (R-Guthrie) and Rep. Mike Sanders (R-Kingfisher) creates new law impacting a statement made by a vulnerable or incapacitated person which describes any act of abuse or neglect, any act of financial exploitation or any violent act on said person, not otherwise admissible is admissible in criminal and juvenile proceedings under conditions contained in the bill.

The bill passed the House by a vote of 83-5. It is now back in the Senate for amendments to be accepted or rejected.

Firearms/Business Owners: [SB 288](#) by Sen. JJ Dossett (D-Sperry) and Rep. Jeff Coody (R-Grandfield) amends business owners' rights qualifying the immunity from liability of a person, property owner, tenant, employer, holder of an event permit, place of worship or business entity that does not prohibit any individual except a convicted felon from carrying a concealed or unconcealed

weapon. To obtain immunity from liability it must be “while in the scope of employment”, on the property “or in or about a business entity vehicle.” An individual is entitled to reasonable attorney fees, expert witness costs and other costs necessary to bring a cause of action. The bill establishes a statute of limitations for such action. It also establishes preponderance of evidence a plaintiff must show as to prevail in an action brought under this provision.

The bill passed the House by a vote of 78-11. It is back in the Senate for amendments to be accepted or rejected.

Firearms/Felony Pointing: [SB 40](#) by Sen. Micheal Bergstrom (R-Adair) and Rep. Bobby Cleveland (R-Slaughterville) amends current statutes on felony pointing of firearms to exclude an act of self-defense and armed security guards licensed by CLEET pursuant to the Oklahoma Security Guard and Private Investigator Act in the performance of their duties. In addition, pointing a weapon at a perpetrator in self-defense in order to stop a forcible felony or attempted forcible felony shall not be guilty of committing a criminal act. It also defines “defensive force”.

The bill passed the House Appropriations and Budget Committee on Monday with the enacting clause stricken. It now awaits a hearing on the House floor.

Fireworks/Storage: [SB 25](#) by Sen. Nathan Dahm (R-Broken Arrow) and Sen. Kevin McDugle (R-Broken Arrow) amends the storage of fireworks in 68 O.S. Section 1623. Removed from current law is that “fireworks shall not be sold or displayed to the public within any building or portion thereof or any vehicle which allows entry by any persons other than employees within such building or vehicle unless the fireworks are kept where they cannot be reached or handled by those persons”. Also removed is the “use of tents or other non-rigid shelters for the sale or storage of fireworks where the public may move about under or within the confines of a shelter is prohibited.”

The bill was [amended](#) on the House floor and passed by a vote of 88-1. It is back in the Senate for amendments to be accepted or rejected.

Insurance Premium: [SB 438](#) by Sen. John Sparks (D-Norman) and Rep. Glen Mulready (R-Tulsa) amends 36 O.S. Section 1115 by providing the policies sold to any city or town in this state, incorporated pursuant to law, shall be exempt from the surplus lines premium tax.

The bill passed the House by a vote of 92-0. It is back in the Senate for amendments to be accepted or rejected.

Law Enforcement/Fingerprinting Fees: [SB 39](#) by Sen. Roger Thompson (R-Okemah) and Rep. Kevin Wallace (R-Wellston) increases the fingerprinting fee from \$5 to \$10. The bill allocates \$9 of the fee will go to the A.F.I.S. fund and the rest to the general revenue fund of the court clerk.

The bill passed the House by a vote of 72-20. It is now on the Governor’s desk waiting for action.

Law Enforcement/Child Passengers: [HB 1607](#) by Rep. Jon Enns (R-Enid) and Rep. Roland Pederson (R-Burlington) amends 47 O.S. Section 11-1112 regarding child passenger restraint in motor vehicles. For a child under age 4 an exception is made to a rear-facing child passenger restraint system for a child being transported by a disabled parent issued a detachable placard under 47 O.S. 15-112 or a physically disabled license plate under 47 O.S. Sections 1135.1 or 1135.2. The child passenger shall be otherwise properly secured as required by Section 11-1112.

The bill passed the Senate by a vote of 42-2. It is back in the House for amendments to be accepted or rejected.

Law Enforcement/Firearms/Military Identification: [SB 35](#) by Sen. Kim David (R-Porter) and Rep. Kevin McDugle (R-Broken Arrow) allows an individual 21 years or older on active military or National Guard duty, regular military or National Guard reserve duty or retired or honorably discharged from military service and has a valid military identification card instead of a handgun license to carry a concealed or unconcealed weapon without a handgun license. Also included are various changes relating to applications, training courses, reciprocal agreements and the like.

The bill passed the House by a vote of 85-0. It is back in the Senate for amendments to be accepted or rejected.

Law Enforcement/Taxicabs: [SB 23](#) by Sen. Mark Allen (R-Spiro) and Rep. Steve Vaughan (R-Ponca City) amends 47 O.S. Section 1-174 changing the definition of taxicab and motor vehicle by reducing the passenger capacity for each from ten (10) to eight (8). Excluded are motor vehicles operating pursuant to the Oklahoma Transportation Network Company Act as provided for in Section 1011 of this title.

The bill passed the House by a vote of 89-7. It is now on the Governor's desk waiting for action.

Mutual Aid Agreements/Adjutant General: [SB 59](#) by Sen. Larry Boggs (R-Wilburton) and Rep. Josh West (R-Grove) authorizes the Adjutant General to enter into a reciprocal agreement with any municipality, county and an agency of the State maintaining fire protection facilities for mutual aid in furnishing fire protection. Rule-making is given to the Adjutant General.

The bill passed the House by a vote of 89-0. It is now on the Governor's desk waiting for action.

Municipal Court/Criminal Procedure: [SB 689](#) by Sen. Greg Treat (R-OKC) and Rep. Terry O'Donnell (R-Catoosa) is a detailed bill exceeding 65 pages amending various statutes in Title 22. Included are changes to the Oklahoma Community Sentencing Act impacting risk and needs assessments, court procedures, intervention programs, sentencing considerations, suspended sentences, deferred judgments and the like.

The bill passed the House by a vote of 65-18. It is back in the Senate for amendments to be accepted or rejected.

Municipal Court/Expungement: [SB 650](#) by Sen. Wayne Shaw (R-Grove) and Rep. Ben Loring (D-Miami) amends 22 O.S. Section 18 by altering the categories for persons authorized to file a motion for expungement. Included are decreasing of time frames since a felony conviction, exclusions and impact on citizenship rights in various subsections of 22 O.S. Section 18 in addition to authorizing the victim to provide testimony at the expungement hearing

The bill awaits a hearing on the House floor.

Open Meeting/Posting of Notice: [SB 403](#) by Sen. David Holt (R-OKC) and Rep. Elise Hall (R-OKC) amends the Open Meeting Act at 25 O.S. Section 311. At least 24 hours prior to the "regularly scheduled" meetings, all public bodies shall display public notice "by at least one of the following methods: posting at the principal office or at the location of the meeting if no office exists; on the public body's Internet website in accordance with 74 O.S. Section 3102. In addition, the public body "shall offer and consistently maintain an email distribution system for distribution of such notice and any person may request to be included without charge, and their request shall be accepted. In lieu of these posting requirements, the bill contains details including a definition of "new business" and an option for public notice special meetings.

The bill passed the House by a vote of 79-10. It is now on the Governor's desk waiting for action.

OTC/Penalty & Interest: [HB 2252](#) by former Rep. David Brumbaugh (R-Broken Arrow) and Sen. James Leewright (R-Bristow) amends 68 O.S. Section 220 regarding interest or penalty by reason of a taxpayer's failure to file a report or return or failure to file in the correct form or failure to pay a state tax within the required time period. Waiver or remission of all or part of any interest or penalties in excess of \$25,000 shall not be effective unless approved by the district court. Current law's dollar limit is \$10,000. There is a new language for a voluntary disclosure agreement with OTC, which does not apply to sales and use tax.

The bill passed the Senate by a vote of 37-5. It is back in the House for amendments to be accepted or rejected.

Pensions/Firefighter Pension/Distributions: [HB 1705](#) by Rep. Randy McDaniel (R-Edmond) and Sen. Marty Quinn (R-Claremore) amends the Firefighter Pension System changing the definitions of eligible rollover distribution, eligible retirement plan, distributee, direct rollover, mandatory distribution and adding provisions for the beneficiary of a deceased member. In addition, in the event of a Mandatory Distribution greater than \$1,000 made on or after June 28, 2018, if the member does not elect to have the distribution paid directly to an Eligible Retirement Plan specified by the member in the Direct Rollover or to receive the distribution directly, then the State Board shall pay the distribution in a Direct Rollover to an individual retirement plan.

The bill passed the Senate by a vote of 42-0. It is now on the Governor's desk waiting for action.

Private Activity Bond Allocation: [SB 214](#) by Sen. AJ Griffin (R-Guthrie) and Rep. John Pfeiffer (R-Mulhall) amends various provisions of the Oklahoma Private Activity Bond Allocation Act. This includes in 62 O.S. Sections 695.23 and 695.24 removing the definitions of and funding for "local issuer single family pool" "metropolitan area housing pool" and "rural area housing pool". The bill changes, except as otherwise provided in this subsection, from 15% to 53% of the state ceiling to be reserved and placed in a pool to be designated the Oklahoma Housing Finance Agency Pool.

The bill passed the House Appropriations and Budget Committee on Monday. It now awaits a hearing on the House floor.

Public Competitive Bidding: [HB 1599](#) by Rep. Avery Frix (R-Muskogee) and Sen. Marty Quinn, R-Claremore, modifies language relating to competitive bidding procedures and requirements.

The bill passed the Senate by a vote of 40-0. It is now on the Governor's desk waiting for action.

Public & Private Facilities/Infrastructure: [SB 430](#) by Sen. James Leewright (R-Bristow) and Rep. John Michael Montgomery (R-Lawton) creates the Oklahoma Public and Private Facilities and Infrastructure Act establishing within the Office of Management and Enterprise Services (OMES) an Office of Public-Private Partnerships to charge fees for services it renders in establishing partnerships in accordance with the bill. The bill contains details on approval process for proposals, publishing and reporting requirements. The performance of public services will constitute the performance of essential government functions and any project owned by the state shall be exempt from taxation. The gross receipts and income from a successful project under a contract via a project owned by the state "shall be exempt from taxation levied by the state and its subdivisions." Any transfer or lease on items included or to be included in the project "shall be exempt from any taxes" if the state retains ownership.

The bill awaits a hearing on the House floor.

REAL ID/Information: [HB 1465](#) by Rep. Jon Echols (R-OKC) and Sen. Nathan Dahm (R-Broken Arrow) amends 47 O.S. Section 6-110.3 regarding the federal REAL ID Act of 2005. It provides that the State shall not share its citizens' personal information or biometric data with the federal government directly "without a valid warrant," except as a result of compliance with the REAL ID Act of 2005.

The bill awaits a hearing on the Senate floor.

REAP: [SB 815](#) by Sen. Eddie Fields (R-Wynona) and Rep. John Pfeiffer (R-Mulhall) requires the Oklahoma Water Resources Board to transfer to the Rural Economic Action Plan Water Projects Fund any monies appropriated by law for the purpose of funding the Rural Economic Action Plan Water Projects Fund.

The bill passed the House Appropriations and Budget Committee on Monday. It now awaits a hearing on the House floor.

Sales Tax Exemption/Department of Tourism: [SB 235](#) by Sen. Roger Thompson (R-Okemah) and Rep. John Pfeiffer (R-Mulhall) provides a sales tax exemption on sales of tangible personal property or services to any person who has entered a contract with the Department of Tourism and Recreation to assist the agency in the development and production of advertising, promotion, publicity and public relations programs when the purchase is necessary for carrying out the contract. The amendment adds an emergency clause.

The bill passed the House Appropriations and Budget Committee on Tuesday. It now awaits a hearing on the House floor.

Sales Tax Exemption/Domestic Violence: [SB 189](#) by Sen. Kay Floyd (D-OKC) and Rep. Claudia Griffith (D-Norman) adds a new sales tax exemption for a 501(c)(3) organization which operates a collaborative model which connects community agencies serving those affected by violence.

The bill passed the House by a vote of 80-11. It is back in the Senate for amendments to be accepted or rejected.

Sales Tax Exemption/National Guard: [SB 353](#) by Sen. Kim David (R-Porter) and Rep. Lewis Moore (R-Arcadia) creates a new sales tax exemption for sales to or by a 501 (c)(19) association known as the National Guard Association of Oklahoma.

The bill passed the House Appropriations and Budget Committee on Monday. It now awaits a hearing on the House floor.

State Agency/Performance: [HB 2311](#) by Speaker Charles McCall (R-Atoka) and Pro Tempore Mike Schulz (R-Altus) creates the Agency Performance and Accountability Act to conduct independent comprehensive performance audits of the spending of government agencies. It will be sued to implement best budgeting and policy-making practices for government services. The bill contains numerous details including implementation of agency-specific recommendations.

The bill awaits a hearing on the Senate floor.

Urban Garden Grants: [SB 749](#) by Sen. Kevin Matthews (D-Tulsa) and Rep. Monroe Nichols (D-Tulsa) creates a grant program for community gardens that are in food deserts in low-income areas. The measure creates a revolving fund that will consist of appropriated funds, federal funds, donation, grants, and contributions from

public or private sources. The state Board of Agriculture will promulgate rules and adopt eligibility guideline

The bill passed the House Appropriations and Budget Committee on Monday. It now awaits a hearing on the House floor.

Victim Impact Panel: [SB 252](#) by Sen. AJ Griffin (R-Guthrie) and Rep. Mike Osburn (R-Edmond) amends 22 O.S. Section 991a regarding Victims Impact Panel Programs by authorizing corporations registered with the Secretary of State to conduct the program. The bill provides details, certificate of completion and reporting duties for the provider of the panels. In addition, the victim's impact panel program is amended by adding the requirement for persons who have committed the offense of operating a motor vehicle while using an electronic device.

The bill awaits a hearing on the House floor.