

2021 Session Highlights

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Introduction

The first session of the 58th Legislature began with a sense of optimism and high expectations. Arriving after the previous session was curtailed by the COVID-19 pandemic, legislators were anxious to return to doing the people’s work of conducting the affairs of the state. The session can be considered historic for several reasons, including Oklahoma’s economic rebound during and after the pandemic. The Legislature’s actions allowed for historic investments in core functions of government with the enactment of **HB 2900**, the general appropriations bill. The \$9.1 billion budget increased common education funding by more than \$210 million to a historic high of \$3.2 billion and will allow for the reduction of classroom

sizes in kindergarten and first grade. The Legislature was also able to fully fund Oklahoma’s Medicaid expansion and increase transportation funding to speed up the Department of Transportation’s 8-Year Plan. Oklahoma citizens will also see a personal income tax reduction of .25 percent and the restoration of the refundability of the Earned Income Tax Credit for low- to moderate-income families. To increase job opportunities for Oklahomans, legislators reduced the corporate income tax from 6 percent to 4 percent in an effort to recruit new businesses to the state. Oklahomans will also realize the efforts of the Legislature to improve broadband services across the state with the investment of \$42 million to expand services to areas without access to high-speed internet. Lastly, despite the uncertainties at the beginning of the session, legislators were able to keep \$800 million in reserved savings.

Administrative Rules

The Legislature enhanced its ability to oversee agency decision making with the enactment of **SB 913**, which modifies the procedure for the approval of agency rules. The legislation creates the Joint Committee on Administrative Rules to consider proposed rules, amended rules and repeal requests submitted by an agency. Emergency rules must be sent to the chairs of the Joint Committee for review. The measure allows the Legislature to repeal an agency rule by joint resolution and removes the Governor’s authority to repeal agency rules by declaration. Agencies exempted from the Administrative Procedures Act or pursuing a pre-emptive rule are directed to publish exempt rules on any website associated with the agency. Agencies are also directed to publish agency rules on their website. Additionally, the measure requires agencies to respond to small businesses requesting a review of their rules no later than 90 business days and to the Legislature or Governor within 30 days instead of the 90 days currently provided for in law.

No agency may adopt or revoke any proposed rule or amendment if the agency receives express written disapproval from the Governor or the cabinet secretary within 30 days of providing notice of a rule change to the Governor and cabinet secretary. If the Governor or cabinet secretary does not disapprove within 30 days, the agency may proceed with the rulemaking process. If the Governor disapproves the rule, the Governor must return the entire document to the agency and notice of the disapproval is to be given to the President Pro Tempore of the Senate, the Speaker of the House, and the chairs of the Joint Committee on Administrative Rules. Any rule not approved by the Governor will not become effective unless otherwise approved by the Legislature by joint resolution.

Lastly, the measure creates a procedure for the expedited repeal of rules beginning September 1, 2021. An agency may submit a request for expedited repeal of a rule to the President Pro Tempore of the Senate and the Speaker of the House, whereupon they will assign the request to the Joint Committee to conduct the repeal process. The request must be accompanied by a statement of the purpose for the repeal. Upon completion of the comment period, the Joint Committee may schedule a hearing on the agency repeal request. If the Committee approves the repeal, it is to be presented to the Legislature for final approval.

Agriculture

HB 2364 prohibits anyone from labeling a bovine product as “Oklahoma Certified Beef” unless the product was bred, born, raised and slaughtered within the state. The measure authorizes the Oklahoma Department of Agriculture, Food and Forestry (ODAFF) to enforce the requirement and issue penalties for violations.

SB 775 authorizes ODAFF to create and maintain the Livestock Offender Registry, which will contain a list of all persons convicted of stealing livestock.

HB 1620 outlines the Legislature’s intent to protect Oklahomans’ rights to engage in agritourism activities, and prevents any city, county, state government agency or political subdivision from banning such activities.

Alcohol, Tobacco and Controlled Substances

Alcohol

In a continued effort to modernize alcohol laws, the Legislature passed several measures changing how alcoholic beverages may be served and consumed.

HB 2122 creates the Oklahoma Cocktails To Go Act of 2021. The measure allows establishments holding caterer’s or mixed beverage licenses to sell single-serve wine, mixed drinks and cocktails to go as long as they are in a sealed, tamper-proof container. Manufacturer licensees are prohibited from providing drinks to go, including those who simultaneously hold a caterer’s or mixed beverage license. If the employee transferring the beverage cannot verify the age and level of intoxication of the person, the employee must cancel the sale. The beverage must be placed in the trunk of the vehicle, or a rear compartment not easily accessible to the passenger area if there is no trunk, and must have a label containing information about the beverage and the licensee selling the beverage.

HB 2380 allows alcoholic beverage licensees to provide self-pour automated devices for dispensing beer and wine. To use the self-pour service, patrons must obtain a radio-frequency identification device (RFID) or other Alcoholic Beverage Laws Enforcement (ABLE) Commission-approved technology from the licensee, which will give the patron a credit to dispense 10 ounces of wine or 32 ounces of beer. The RFID device must become inactive at the end of each business day or after the device is used to dispense the maximum allowed amount of beer or wine. Upon production of valid identification, a patron may have their RFID device reactivated to dispense an additional 10 ounces of wine or 32 ounces of beer. Licensees are required to provide constant video monitoring at all times during which the licensee is open, keep such footage for at least 60 days and provide the footage upon request to any ABLE Commission agent or other authorized law enforcement.

SB 385 authorizes retail spirits, retail wine and retail beer licensees to host alcoholic beverage tastings. Tastings must be conducted under the direct supervision of the authorized licensee and are restricted to persons 21 years of age and older. Samples are limited to 1 fluid ounce of spirits, 2 fluid ounces of wine and 3 fluid ounces of beer per customer per day and must be consumed on the premises of the licensee hosting the tasting. All samples must be poured from original sealed packaging, and no more than six bottles of alcoholic beverages may be unsealed at any given time. Any beer or wine remaining in unsealed packaging used to provide samples must be poured out and removed from the premises by the end of the day.

SB 85 allows holders of multiple small brewer licenses to sell beer produced at up to three of their licensed breweries at any other of their three licensed breweries.

Tobacco

HB 2292 creates the Tobacco Products Tax Enforcement Act of 2021 and authorizes the Oklahoma Tax Commission to establish a Tobacco Products Tax Enforcement Unit

for the purpose of enforcing tobacco tax laws. The measure establishes requirements and procedures for paying and reporting the tobacco products tax and requires retailers to purchase tobacco products from Oklahoma-licensed wholesalers. Further, the measure modifies procedures for taxation of certain tobacco product sales subject to tribal compacts. The measure also increases penalties for certain violations and authorizes the Commission or a peace officer to confiscate any vehicle used to transport untaxed tobacco products. Lastly, the measure creates the Tobacco Products Tax Enforcement Unit Revolving fund, in which fines collected pursuant to the provisions of the measure will be deposited. If the balance of the Fund exceeds \$2 million at the end of any fiscal year, the excess will be transferred to the General Revenue Fund.

HB 2674 clarifies that a person must be 21 years of age or older to purchase, receive or possess nicotine products.

Other Controlled Substances

After the Governor vetoed the omnibus medical marijuana bill in the 2020 session, legislators made reform of the industry a priority, especially testing and compliance. Some provisions of this session's omnibus bill, **HB 2646**:

- Allow dispensaries to display samples of its products for the purpose of letting licensees handle or smell samples, so long as the samples are not offered for sale;
- Provide that no additional certificates of compliance are necessary for business license renewal once a certificate showing full compliance has been presented to the Oklahoma Medical Marijuana Authority (OMMA), unless there is a change of use, occupancy or facility;
- Adjust sizes of test and production batches;
- Allow remediated and decontaminated marijuana to be returned to the original licensed commercial grower; and
- Authorize the sale of pre-rolls.

SB 1033 provides that the 1,000-foot setback distance between dispensaries and schools will be measured from the dispensary's front door to the school door nearest the dispensary's front door. Dispensaries will be grandfathered in if a school is established within 1,000 feet after the dispensary was licensed, and OMMA cannot revoke, deny renewal or deny transfer of a license if OMMA made a mistake in measurement. If a dispensary is found to be within 1,000 feet of a school that was in existence and generally known about before the dispensary obtained licensure, the dispensary's initial request for renewal or transfer of the license may be objected to by a municipality. Additionally, the measure prohibits caregivers from cultivating marijuana plants for more than five patients, allows the Department of Health to enter into a memorandum of understanding with other

state agencies to enforce medical marijuana regulations, and requires warehouses that handle medical marijuana to be registered and inspected by OMMA prior to its use.

HB 2904 directs the Department of Health to hire the following positions at OMMA:

- 62 compliance and enforcement positions;
- Six positions to perform legal and financial duties;
- Four investigatory officers with at least five years of experience in criminal investigation; and
- Four positions to perform planning and logistic duties.

HB 2272 requires current medical marijuana business licensees and applicants to submit to the State Bureau of Narcotics and Dangerous Drugs Control an attestation confirming or denying the existence of any foreign financial interests in their business operation. The measure also requires OMMA to schedule on-site meetings and compliance inspections of business licensees within the first 180 days of licensure to verify that the licensee is actively operating or working toward operational status. If a licensee fails to provide proof that they are doing so, they will be granted two grace periods of 180 days each. If the second grace period expires without proof that the licensee is operating or working toward operation, the license will be terminated.

SB 511 authorizes state, tribal and certain nongovernmental entities to provide harm-reduction services until July 1, 2026. Participating entities cannot use state funds in providing such services, are required to register and report their activities with the State Department of Health, and may engage in the following activities:

- Offering referrals and resources for treatment of substance abuse disorders and medical and mental health services;
- Providing education on the risk of infectious disease transmission;
- Providing rapid testing for HIV, hepatitis C and sexually transmitted infections;
- Possessing and distributing hypodermic needles, cleaning kits, test kits and opioid antagonists; and
- Collecting and safely disposing of hypodermic needles.

HB 2279 creates the Oklahoma Industrial Hemp Remediation Program, which allows a person licensed by the Oklahoma Department of Agriculture, Food, and Forestry (ODAFF) whose hemp is deemed noncompliant to request approval from the department to remediate the hemp. If approved, the licensee must promptly have the hemp extracted by a licensed processor into concentrated form and sampled by a certified laboratory for THC levels. If the samples are below USDA levels for THC, the hemp is compliant and can be sold commercially; if the samples

are noncompliant, the department must be notified and the samples must be destroyed.

HB 1784 creates the Oklahoma Kratom Consumer Protection Act. The measure prohibits kratom products that are adulterated or contaminated with a dangerous nonkratom substance, or contain any synthetic alkaloid, from being prepared or sold. The measure also requires that vendors of any food or ingredient containing kratom or represented to be a kratom product disclose on the product label or a QR code certain information, including suggested use of the product and any necessary precautionary statements. Finally, the measure provides for penalties for violation of the provisions.

Business and Technology

HB 2873 creates the Universal Licensing Recognition Act, which creates a framework for issuing professional and occupational licenses and certifications to individuals who have comparable credentials from another state. A qualified applicant is someone who meets residency requirements and has held their equivalent out-of-state license or certification for at least one year.

When evaluating whether an applicant satisfies the requirement for issuance of the requested license or certification, the appropriate regulatory entity in Oklahoma must apply all similar and verifiable training, education and work experience in the manner most favorable toward the applicant. An applicant must also demonstrate that they are free of any complaint, investigation, suspension, revocation or discipline by any other regulatory entity or jurisdiction for unprofessional conduct and may be required to submit to a criminal background check.

HB 1124 directs the Oklahoma Department of Commerce, with participation from the Rural Broadband Expansion Council, to promulgate rules and procedures establishing the State Broadband Deployment Grant Program. The program will include a competitive grant program to award funding to applicants seeking to expand access to broadband internet service.

HB 2946 provides a sales tax exemption for the sale, lease, rental, storage, use or other consumption of qualifying broadband equipment by internet service providers or subsidiaries if the property is directly used or consumed by the provider or subsidiary for the purpose of establishing or expanding broadband services in underserved or unserved areas. The exemption will be administered as a sales tax rebate and is capped \$42 million each fiscal year. A related measure, **HB 2040**, directs the Rural Broadband Expansion Council to develop a set of broadband incentive award guidelines for recommendation to the State Legislature on or before October 31, 2021. Incentives awarded will be based

upon the area's need for services, whether there are existing broadband assets in the area, whether existing resources have been allocated to the area, a preference for partnerships, and the capacity of the provider to maintain assets for an extended period of time.

SB 802 expands the Rural Broadband Expansion Council from 14 members to 16. One additional member will be a wireless internet service provider appointed by the Speaker of the House. The other additional member will be a leader of a tribe recognized within Oklahoma and appointed by the President Pro Tempore of the Senate.

SB 1082 provides \$15 million in funding for the implementation of the Oklahoma Accelerator Program. The objective of the program is to leverage private capital to stimulate growth of early-stage startup companies through the state by connecting them with global entrepreneurial ecosystem to drive business talent and investment opportunities.

Children and Families

The Legislature protected the interests of children and families by passing a number of laws that amend several child-centered processes. Legislation in 2021 focused on protection from child abuse and neglect, child services to establish independence, guardianship, and treatment of children in the criminal justice system.

HB 2899 provides that applications for Home and Community Based Medicaid Waiver Services for the Community Waiver, In-Home Supports Waiver for Adults, and In-Home Supports Waiver for Children operated by the Department of Human Services (DHS) cannot be made until the applicant has been an Oklahoma resident for five years prior to the application date. The measure directs DHS to promulgate rules necessary for implementation and administration.

HB 1709 changes a qualification for continuation of successful adulthood services. The services may continue until 21 years of age provided the individual is in the custody of DHS or a federally recognized Indian tribe and in an out-of-home placement at the time of their 16th birthday. Current law stipulates that this must occur at the time of their 18th birthday.

HB 2367 allows a child 16 years of age or older to enter into a contract to obtain housing if they receive a certification of unaccompanied status from a youth services provider with DHS or the Department of Mental Health and Substance Abuse Services. The certification must show that the child is determined to be homeless or a victim of domestic violence or abuse. The provider is required to notify the parent or guardian that the child is seeking unaccompanied child status, unless the provider is unable to identify the whereabouts of the parent or

guardian. Certification of this status does not discharge the parent or guardian of parental or legal authority.

HB 1797 prohibits an individual responsible for a child's health, safety or welfare who is the perpetrator of a substantiated finding by DHS of heinous or shocking abuse from working with children or residing in a child care facility. The measure also prohibits employers who provide services to children from willfully and knowingly employing or contracting with such an individual or allow continued contracting or employment. The measure further states that if DHS determines a substantiated finding of heinous and shocking abuse by a person responsible for a child, the department must notify the child care facility owner and the child care resource and referral agency in writing within one business day after the finding. The facility must also notify parents or guardians of children attending the facility within 72 hours of the finding by certified mail.

HB 2565 establishes that evidence of material, educational or cultural disadvantage compared to other children is not sufficient grounds for deprivation as defined in the Oklahoma Children's Code. The measure also modifies the definition of *neglect* in the Oklahoma Children's Code to clarify that neglect does not include permitting a child who is of sufficient age and maturity to avoid harm or unreasonable risk of harm to engage in independent activities. The definition of *neglect* is also modified to include a failure or omission to provide supervision or appropriate caretakers to protect the child from harm or threatened harm or special care made necessary for the child's health or safety.

SB 421 modifies the guidelines on how child support is determined and allows the court to consider other factors to impute income when evidence of current average income of a parent is unavailable or not the most equitable. The measure also creates a rebuttable presumption, effective November 1, 2021, that any obligator who is incarcerated for more than 180 consecutive days is unable to pay child support, resulting in abatement of monthly child support obligations until 90 calendar days after release from incarceration. The abatement period does not release the obligator of any past-due support that had accrued prior to incarceration. The measure also requires veteran disability compensation benefits received by a child to be treated as income to the parent on whose account the benefit of the child is drawn and applied against the support obligation order to be paid by that parent.

HB 2317 establishes a grievance process for children detained in an adult facility, administered by the Oklahoma Commission on Children and Youth. Grievances may be filed by either the child or a person responsible for their health and welfare and directed to the Commission's Office of Juvenile System Oversight for investigation, resolution and referrals, if appropriate. The Office of Juvenile System Oversight must notify the Office

of Juvenile Affairs compliance monitor when a grievance is received, and DHS must be notified if it concerns a child in their custody. Each facility in which children are held must make grievance policies and procedures available upon public request and make resources readily accessible to children in the facility, as well as explain the policies upon intake. These provisions do not apply to children housed in a Department of Corrections (DOC) facility or housed under a contract with the DOC.

HB 1086 allows a guardian to petition a court to transfer or convey ward-owned property that is or may be deemed an available resource into a protective arrangement. The guardian must file a verified petition setting forth what specific property may be deemed a resource, including an affirmative statement that the resource could affect the ward's receipt of public benefits if not entered into a protective arrangement. A protective arrangement will not modify any state or federal authorized rules regarding exemption or transfer of assets or resources for determination of Medicaid or Social Security eligibility and is not considered a sale of property. Additionally, a court order authorizing a protective arrangement will not have any impact on the protective arrangement's consideration in the actual Medicaid eligibility determination decision and will not infringe upon or void an existing homestead lien of record.

Criminal Justice

Continuing efforts to provide better outcomes in the criminal justice system in Oklahoma led to the passage of several important measures this session. The Legislature focused efforts on intervention and rehabilitation while maintaining victims' rights. Legislation was also enacted to aid Oklahoma's indigenous population and increase protections for victims of domestic violence.

HB 1880 authorizes district attorneys to create restorative justice programs for nonviolent offenders who qualify for a deferred prosecution agreement. The District Attorneys Council will develop and administer a five-year restorative justice pilot program utilizing citizen-led mediation panels.

SB 172 creates Ida's Law and directs the Oklahoma State Bureau of Investigation (OSBI) to coordinate with the United States Attorney's Office and the United States Department of Justice to obtain federal funding for the purpose of gathering data to address the issue of missing and murdered indigenous persons. The measure creates the Office of Liaison for Missing and Murdered Indigenous Persons under the OSBI to work with tribal, state and federal authorities on missing persons and homicide cases, provide guidance to victims' families, facilitate training and promote best practices, and consult with community organizations to promote community relations.

Several measures were enacted to address domestic violence and provide additional protections to the victims of domestic violence. **SB 200** authorizes a victim of domestic violence, sexual violence or stalking to terminate a lease without penalty by providing written notice and a protective order within 30 days of the incident to their landlord. The landlord may waive the 30-day deadline. Additionally, the bill prohibits any landlord from terminating or denying renewal of a lease because the applicant or tenant is a victim or alleged victim of domestic violence, sexual violence or stalking, regardless of whether a current protective order exists. The measure also prohibits any landlord from denying an applicant tenancy or retaliating against a tenant because the applicant or tenant has previously terminated a rental agreement using the provisions outlined in this measure.

SB 17 requires the lethality assessment used to assess a victim of domestic violence be available on the Attorney General's website. The measure requires an officer conducting a lethality assessment on a potential domestic abuse victim to implement the protocol referral process to a domestic violence advocate from a certified or tribal program. Regardless of the results of the lethality assessment, referral information for shelters, domestic violence programs and other social services must be provided to the victim.

HB 2295 provides that a person arrested for the violation of a protective order, an act of domestic violence, domestic abuse, stalking or harassment is not eligible for a personal recognizance bond.

Additional private property protections were established by **HB 1135**, which removes the requirement that a property be posted in order for a trespass to occur. A person convicted of entering another's land to commit waste, theft or damage is guilty of a misdemeanor punishable by imprisonment in the county jail for not less than 30 days and not more than six months, a fine of not less than \$50 and not more than \$500, or both. The measure allows people in certain professions and occupations with a legitimate reason to enter private property under specified conditions.

HB 1776 modifies the sentencing powers of a court by requiring all persons convicted of a misdemeanor or felony for the possession of a controlled dangerous substance to provide a DNA sample for the Combined DNA Index System (CODIS). The measure also provides that an attorney employed by the OSBI may enter an appearance in court if requested to do so by another prosecuting authority.

HB 1892 creates a 13-member Advisory Task Force on Prevention of Human Trafficking and Child Exploitation. The task force will study human trafficking, prostitution and child exploitation in Oklahoma and make recommendations to the Legislature on methods and

laws to enhance and fund the efforts of law enforcement or community groups that are working to slow and stop prostitution, human trafficking or child exploitation. A report of findings and recommendations is due on or before February 1, 2022, at which time the Advisory Task Force terminates.

The Legislature also examined laws related to unlawful assembly and protest. **HB 1674** provides that any person who unlawfully obstructs the normal use of any public street, highway or road by restraining motor vehicle traffic, by approaching motor vehicles or by endangering the safe movement of motor vehicles or pedestrians is guilty of a misdemeanor punishable by up to one year in the county jail, a fine of not less than \$100 nor more than \$5,000, or both. Additionally, the person is liable for all damages to person or property. The measure provides that a motor vehicle operator who unintentionally causes injury or death while fleeing a riot is not to be held criminally or civilly liable. The measure provides that if an organization is found to be a conspirator with persons committing riot-related crimes, the organization may be punished by a fine that is 10 times the amount of said fine authorized by the appropriate provision. A related measure, **SB 403** provides that it is unlawful to disrupt or interfere with the business of any political subdivision.

Corrections

Several measures were enacted to assist offenders with re-entry into society with a goal of reducing recidivism. **HB 1679** creates the Sarah Stitt Act, which directs the Department Corrections (DOC) to provide offenders released from its custody with relevant documentation to assist the offender in obtaining post-release employment. DOC is to coordinate with the Department of Public Safety (DPS) to provide a REAL ID Noncompliant Identification Card if the inmate does not have a current state-issued identification card or driver license. If no other form of identification is available, DPS must allow the use of a DOC consolidated record card to serve as a valid identification document to obtain a REAL ID Noncompliant Identification Card to be valid for a period of four years from the month of issuance.

SB 320 allows medically frail and medically vulnerable offenders to receive consideration in compassionate parole proceedings. The measure defines *medically frail* as an individual with a medical condition that precludes the individual from performing two or more activities of daily living on their own and *medically vulnerable* as an individual with medical conditions that make the individual more likely to contract an illness or disease while incarcerated that could lead to death or cause an individual to become medically frail. Medical conditions that place an individual in the medically vulnerable category are specified. The measure also requires any

victim to be notified when an offender is being considered for this parole option.

HB 2773 requires members of the Pardon and Parole Board to uphold and promote the independence, impartiality, fairness and integrity of the board and to avoid impropriety or the appearance of impropriety. If a member of the board determines that circumstances would cause a reasonable person with knowledge of all the relevant facts to question the board member's impartiality, the board member must disclose any potential conflict of interest and withdraw from participation in the matter.

HB 2774 requires all law enforcement agencies, sheriffs, jailers, prison keepers, and their deputies who have custody of a person who is the subject of an immigration detainer request to comply with any request made in the immigration detainer request provided by the federal government and to inform persons identified in the immigration detainer request that they are being held because of the request. If a person provides proof of citizenship, sheriffs, jailers and prison keepers are not required to hold the person. The measure also requires the United States Immigration and Customs Enforcement to be allowed reasonable access to detention facilities for the purpose of identifying inmates.

HB 2311 modifies the provisions for a juvenile serving time in an adult jail in the following ways:

- A juvenile may be, upon conviction, incarcerated in an adult facility if it is licensed by the State Department of Health to detain individuals under 18 while they await housing by DOC. However, individuals 18 years of age and older sentenced to the custody of Office of Juvenile Affairs may be detained in the general population of the county jail pending placement.
- Any child at least 15 years of age who is charged with first-degree murder may be detained in an adult facility only after a hearing in which the child is provided representation and the court makes a written finding that it is in the interest of justice that the child be placed in an adult facility.
- A hearing must occur no less often than every 30 days, or every 45 days for a rural jurisdiction, to determine whether it is in the best interest to continue to hold a youth in an adult facility or have sight and sound contact with adult inmates. The individual cannot remain in an adult facility for more than 180 days unless the court determines good cause for an extension.
- Children placed in an adult jail must be afforded rights and protections, including providing their mental health screening information to the facility and allowing visit requests in a timely manner.

Education

Legislators were surprised mid-session when the State Board of Education voted to settle a lawsuit over charter school funding. Many lawmakers felt the board's decision was unconstitutional, so they nullified the board's action in state law and came up with an alternative plan. **SB 229** creates the Redbud School Funding Act, which directs a portion of medical marijuana sales tax revenue to the State Public Common School Building Equalization Fund. The measure requires the board to annually distribute grants to public schools and eligible charter schools from the fund and defines the formula for determining how much each school will receive. The grants must be used to aid public schools and eligible charter schools in acquiring or improving school sites, constructing, repairing, remodeling or equipping buildings, or acquiring school furniture, fixtures or equipment. Lastly, the measure clarifies that charter schools are ineligible to receive state-dedicated, local, and county revenue.

In an effort to concentrate school funding around the student, lawmakers passed **HB 2078**, which eliminates a district's ability to use its weighted average daily membership count from two years prior for the calculation of its state aid allocation. Schools are now required to use more recent student counts. The measure also increases the percentages of allowable general fund carryover and waives penalties for excessive carryover for FY 2022 and FY 2023.

Lawmakers expanded school and parental choice with **SB 783** by modifying the Education Open Transfer Act. The measure allows a student to transfer from one school district to another at any time during the year, unless the grade level at the receiving school is already at capacity. Each school board must establish its own capacity and adopt a policy to determine the number of transfer students it can accept in each grade level at each school site.

Each year, the Office of Educational Quality and Accountability will randomly audit 10 percent of the districts in the state to see if the number of approved and denied transfers are in line with the policies adopted by the district's board of education.

HB 2030 requires the subject matter standards for history, social studies and U.S. government to include the study of important historical documents, including the United States Constitution, Declaration of Independence, Emancipation Proclamation and Federalist Papers. Subject matter standards for U.S. government must include simulations of the democratic process and lessons on the structure and relationship between national, state, county and local governments. Lastly, the measure requires high school students to pass the United States naturalization test in order to graduate.

HB 1775 prohibits state colleges and universities from requiring gender or sexual diversity training. The measure also prohibits public school teachers from teaching components of critical race theory.

SB 658 requires school districts to notify parents of their option to provide a current, up-to-date immunization record for their child, or a completed and signed exemption form. The measure also prohibits public schools, career tech centers, state colleges and universities, the State Regents and the State Board of Education from requiring a COVID-19 vaccine for admittance to school. These entities are also prohibited from implementing a mask mandate for students who have not been vaccinated. School boards and technology center school districts may only implement a mask mandate after consulting with the health department that has jurisdiction where the board is located, and if the Governor has declared a state of emergency in that jurisdiction. Such mandates must be reconsidered at each regularly scheduled board meeting.

SB 1080 expands the Equal Opportunity Education Scholarship program, which provides tax credits to those who donate to private school scholarship granting organizations. The cap on tax credits for the scholarship program is increased from \$3.5 million to \$25 million. The measure also expands the cap on tax credits for donations made to eligible public school foundations, from \$1.5 million to \$25 million and limits the credits to \$200,000 per public school district annually.

SB 48 creates the Student Athlete Name, Image and Likeness Rights Act. The measure specifies that a student athlete may earn compensation commensurate with market value for the use of their name, image or likeness while enrolled at a postsecondary institution without penalty or resulting limitation on participation. A student athlete cannot earn compensation in exchange for their athletic performance or participation in intercollegiate athletics or sports competition.

The measure also creates the Revised Uniform Athlete Agents Act, which expands the definitions of *athlete agent* and *student athlete* and adds new requirements to the signing of an agency contract. Additionally, the act provides greater flexibility to students when choosing between a professional draft or the continuation of their college education.

SB 267 creates an exception to the post-retirement earnings limitations for certain retired teachers. For a period of three years beginning July 1, 2021, the measure allows retired teachers who have been receiving benefits for at least one year, and have not been employed by any public school during that period, to return to work as an active classroom teacher with no limitations on earnings.

Elections

The Legislature worked to protect the voting process by passing legislation that authorizes membership in voter maintenance organizations, provides deadlines for taking deceased individuals off voting lists and introduces a recount process for state questions. Legislators also expanded the in-person early voting window for state general elections by adding an extra day of in-person absentee voting.

HB 2663 states that requests for absentee ballots must be received by appropriate election officials by 5 p.m. on the third Monday before the election. The measure also expands the period in which voters may apply for in-person absentee ballots.

SB 959 modifies procedures for filling a vacancy in the United States Senate. If a vacancy occurs, the Governor has 30 days to appoint a person eligible to hold such office who has been a registered voter of the predecessor's party in Oklahoma for at least five years. The appointee must submit an oath to the Secretary of State affirming that they will not file as a candidate for the office when it next appears on the ballot. If the vacancy occurs outside of the regular U.S. Senate election cycle, a special election is required to fill the vacancy at the next regularly scheduled statewide election.

HB 2564 updates pricing for electronic and manual ballot recounts and creates a process and regulations for recounts on state questions. A manual recount costs \$600 per 3,000 ballots, or fraction thereof. An electronic recount costs \$600 for the first 3,000 ballots and \$300 for each additional 5,000 ballots, or fraction thereof. The Governor or Attorney General may also request a recount of any state question, by filing a petition with the Secretary of the State Election Board and providing a cashier's check or certified check for the expense. The Secretary of State, subject to adequate funding, is to order an automatic recount of any state question if the margin of votes required for approval is 0.5 percent or less of the total votes cast for a question involving a statutory issue. If the state question involves a constitutional issue, the automatic recount is to occur if the margin is within 1 percent of the total votes cast.

HB 1752 gives a county election board 30 days to remove a deceased person from the central registry and voter registration list after receiving notice of the resident's death from the State Election Board (SEB). The measure also requires an order appointing a guardian to set forth findings of fact as to whether the ward retains sufficient capacity to vote.

SB 710 provides that the Secretary of the SEB may join the State of Oklahoma as a member in one or more multistate voter list maintenance organizations. If the organization identifies unregistered eligible voters, the secretary may notify such citizens about voter registration. The measure

also allows the SEB to use national change of address data if provided by the organization.

Energy and Utility

An unprecedented cold-weather event in February 2021 created a number of challenges for the state and its citizens, including power outages and large price increases for electricity and fuel. The Legislature took steps to mitigate the long-term effects of this event and to prepare for similar issues in the future.

SB 1049 creates the February 2021 Unregulated Utility Consumer Protection Act. The measure authorizes the Oklahoma Development Finance Authority (ODFA) to provide a pooled loan program for financing of qualified costs incurred by unregulated utilities, for the purpose of mitigating extreme purchase costs and extraordinary costs to customers of the unregulated utilities related to the February 2021 extreme weather event. Funding for the program is provided through the issuance of utility revenue bonds issued by ODFA.

A related measure, **SB 1050**, creates the February 2021 Regulated Utility Consumer Protection Act, which outlines the process for securitizing the extreme purchase costs or extraordinary costs incurred by regulated utility companies during the extreme weather event. The measure includes a list of factors the Oklahoma Corporation Commission must consider when making a determination that a regulated utility has extreme or extraordinary costs subject to the act, which may be mitigated by issuance of ratepayer-backed bonds by the ODFA. All bond issuances under the act are subject to the approval of the Oklahoma Supreme Court.

Health

Medicaid expansion has been a contentious subject within the Legislature ever since State Question 802 passed in 2020, expanding Medicaid in the state of Oklahoma. To implement the expansion, the Governor proposed a third-party managed care plan that would contract with private insurance companies. An alternative plan would have given the Oklahoma Health Care Authority (OHCA) total control to oversee and implement an internal managed care program. The Legislature compromised with **SB 131**, which creates the Ensuring Access to Medicaid Act, a regulatory framework that gives the Legislature oversight around the Governor's third-party managed care program. The measure puts the contracts between OHCA and the insurance companies into statute.

SB 164 allows a licensed medical doctor who holds clinical privileges at an accredited health care institution that conducts human subject research to treat an incapacitated

minor for an experimental treatment if the doctor receives informed consent from a parent or legal guardian. The measure allows the use of an experimental procedure on an incapacitated person during a life-threatening emergency without consent if the experimental procedure has been approved by an accredited institutional review board and has been found and documented that the requirements for emergency research have been satisfied.

SB 673 defines *telemedicine* as technology-enabled health and care management and delivery systems that extend capacity and access. The definition includes synchronous mechanisms, asynchronous mechanisms, remote patient monitoring, and other electronic means that support health professionals.

Abortion

SB 918 repeals several sections of statute relating to the performance of abortions. The measure will prohibit abortion if the Attorney General certifies that the U.S. Supreme Court has overruled the central holding of *Roe v. Wade*, or an amendment to the U.S. Constitution is adopted that restores the state's authority to prohibit abortion.

HB 1904 requires persons performing abortions to be board-certified in obstetrics and gynecology.

HB 1102 modifies the definition of *unprofessional conduct* regarding physician licensure to include the performance of an abortion unless the procedure is performed to prevent the death or significant physical impairment of the mother. An abortion may not be performed based solely on the mental or emotional health of the mother, notwithstanding a claim or diagnosis that the woman may engage in conduct which she intends to result in her death. Any physician who violates these provisions will have their license suspended for at least one year.

Mental Health

SB 87 provides that a person in possession of a controlled dangerous substance who appears to be in need of help and consents to the offered help may, in lieu of arrest, be taken to an approved treatment center or an approved center for substance abuse evaluation by a law enforcement officer. The measure provides that any program established for this purpose must be created with the advice and consent of the county's district attorney and approved annually.

HB 2877 authorizes sheriffs and peace officers to utilize telemedicine to assess a person whom the officer reasonably believes needs treatment by a mental health professional. Additionally, the measure requires officers to transport such individuals in need of treatment or subject to an emergency detention or protective custody order to the nearest facility within a 30-mile radius of the officer's operational headquarters.

SB 848 directs the Department of Mental Health and Substance Abuse Services to contract with public and private entities located in Oklahoma to provide peer support crisis intervention, counseling and wellness for law enforcement, firefighter, emergency medical and corrections communities impacted by trauma, cumulative stress, anxiety, addictions, death and suicide.

Pharmacy

SB 398 authorizes pharmacists to administer immunizations that have been approved or authorized by the Food and Drug Administration (FDA) without a patient-specific prescription, standing order or similar arrangement.

SB 4 authorizes a pharmacist to substitute an interchangeable biological product for a prescribed biological product if the substituted product is determined by the FDA to be interchangeable, the prescribing health care provider has not expressed a preference against substitution and the pharmacy informs the patient of the substitution.

HB 2123 creates the Patient's Right to Pharmacy Choice Commission to oversee and regulate pharmacy benefits managers (PBMs). The Commission is to enforce the Patient's Right to Pharmacy Choice Act and the Pharmacy Audit Integrity Act, and carry out any other duties assigned by the Insurance Commissioner. The commission is authorized to impose civil penalties and fines against PBMs.

Insurance

According to the American Diabetes Association, approximately 452,000 Oklahomans have diabetes, many of whom take insulin. With the increasing cost of insulin, many diabetics ration their supply or go without, putting their health and lives at risk. The Legislature passed **HB 1019**, which caps the total amount an insured person is required to pay for a covered insulin prescription at \$30 for a 30-day supply and \$90 for a 90-day supply. Health insurers are also authorized to charge less than the capped amounts.

SB 674 requires every health benefit plan offered in the state to provide coverage of telemedicine. No insurer may exclude a service for coverage solely because the service is provided through telemedicine and is not provided through in-person consultation or contact between a health care professional and a patient for services.

SB 550 requires insurers denying any portion of a clean claim to notify the insured, enrollee, or subscriber and health care provider in writing within 30 calendar days after receipt of the claim by the insurer. The written notice must specify in detail the reason for the denial

including information on where a person or entity that received notification may respond.

HB 2678 expands the list of practices constituting an unfair claim settlement practice to include failing to include any amount paid by an enrollee or on behalf of an enrollee by another person when calculating the enrollee's total contribution to an out-of-pocket maximum, deductible, copayment, coinsurance or other cost-sharing requirement.

Judiciary

Several measures were enacted this session to improve the administration of the Oklahoma Court System.

SB 155 directs the Oklahoma Supreme Court to maintain a calendar of cases pending before the court and to publish the calendar on its website. Entries on the calendar must include dates the court is to hear oral arguments, cases challenging the constitutionality of an act of the Legislature, dates of court conferences, dates the court is closed, and any information that will assist the public in monitoring cases. Entries noting oral arguments must include the case number, names, counsel of record, and a summary of the case. The Supreme Court must also update weekly a list of cases for which it has granted review.

HB 1980 directs the Judicial Nominating Commission to promulgate rules to promote transparency in the Judicial Nominating Commission's selection process. The rules are to be prominently published on the commission's website.

HB 2689 provides that on October 1, 2021, each court reporter is to receive a one-time stipend of \$1,250.

With the enactment of **HB 1095**, the Legislature gave courts additional powers to protect communities. The measure allows the court to prohibit a defendant from entering, visiting or residing within the judicial district in which the defendant was convicted, until after completion of their sentence. The court must ensure the defendant has access to services or programs in which defendant is required to participate as a condition of probation. When seeking to enter the prohibited judicial district for personal business not related to their criminal case, the defendant must obtain approval from the court.

HB 2548 creates the Uniform Power of Attorney Act. The model legislation adopted in 29 states brings uniformity to the power of attorney in the various states in probate procedures. The measure provides definitions and procedures used in the act regarding the use of power of attorney. The measure also repeals various existing Oklahoma statutes regarding power of attorney that are now addressed in the measure.

SB 31 requires the court to enter an order dismissing a plaintiff's case against a defendant if the defendant demonstrates that they were not timely served. The court is directed by the measure to dismiss the action 200 days after the filing of the action in which no service has been made on any defendant.

HB 2746 exempts municipal or state law enforcement officers employed in a county with a population of more than 255,000 from jury duty. All federal law enforcement officers are exempted. Municipal or state law enforcement officers in counties with a population of less than 255,000 may serve on noncriminal actions only.

HB 1799 modifies the process for expunging juvenile court records in the following ways:

- The petition for expungement may be filed as an oral or written petition and must be presented at the time the case is before the court for a final review or any time after an informal adjustment agreement has been successfully completed and the court dismissed the case, or the court is closing the case due to a lack of jurisdiction or the child reaching the age of 18 or 19 years of age, if jurisdiction of the court was previously extended.
- A person who reaches the age of 18 can file for their own expungement provided they meet all the requirements.
- A written petition for the expungement of the juvenile court records is permitted if the state objected to an oral petition.
- Certain parties may access expunged records without a court order to determine whether to dismiss an action, seek voluntary probation, file a petition or information, or for purposes of sentencing or placement if the person or child is alleged to have committed a subsequent act.
- Landlords cannot require an applicant to disclose any information contained in any expunged juvenile court records.

Public Safety

Concerns regarding the implementation of REAL ID and the protection of Second Amendment rights were a major focus of the Legislature. Lawmakers enacted measures to provide additional support for the Department of Public Safety (DPS) and motor license agents in the implementation of REAL ID driver licenses and clarified the locations where the carrying of firearms could be restricted.

SB 1057 authorizes motor license agents to issue REAL ID compliant driver licenses and allows for the issuance of driver licenses that are valid for either four or eight

years. The fee schedule for eight-year licenses is double that of four-year licenses.

HB 2465 authorizes DPS to enter into agreements with local school districts, the Oklahoma Department of Career and Technology Education, or institutions of higher education to administer written examinations for Class A, B, C, or D driver license tests.

HB 1059 allows a motor license agent to process the voluntary downgrade of a REAL ID compliant commercial driver licenses to any lower-class license and allows a motor license agent to perform document recognition and other requirements needed for approval of an application for a Class A, B or C commercial license. Additionally, DPS must require designated examiner applicants, driver education instructor applicants, third-party examiner, and commercial school driver education instructors to complete an electronic national criminal history record check.

In an effort to reduce the current waiting period for REAL IDs, **HB 2900** directs DPS to expend up to \$6.6 million to expedite and facilitate the issuance of REAL ID compliant driver licenses and identification cards.

SB 1054 directs DPS to spend \$4 million of its appropriated funds for a trooper academy and \$439,120 for any necessary expenses related to interoperable communications inside the State Capitol building.

HB 1643 creates a misdemeanor crime for using an electronic communication device to publish personally identifiable information of a peace officer or public official with the intent to threaten, intimidate or harass, commonly known as doxxing. Initial violations are punishable by up to six months in the county jail, a fine of up to \$1,000, or both. Second or subsequent offenses are punishable by up to one year in the county jail, a fine of up to \$2,000, or both. The measure also allows elected county officials and peace officers to obtain a court order requesting that the county assessor not make their personal information available on the internet.

HB 2645 prohibits the carrying of firearms on property set aside by a county, city, town, public trust with a county, city or town as a beneficiary, or state governmental authority for an event where minimum-security provisions are in place. *Minimum security provisions* are defined as consisting of a metallic-style fence at least 8 feet in height that encompasses the property and deters unauthorized entry with controlled access points staffed by uniformed commissioned peace officers and metal detectors. When no minimum provisions are enforced, it is lawful to conceal carry firearms during such public events.

SB 631 creates the Second Amendment Sanctuary State Act to pre-empt any agency or political subdivision from infringing upon the rights of a citizen to keep and bear arms. Any federal, state, county or municipal act, law,

executive order, administrative order, court order, rule, policy or regulation ordering the buy-back, confiscation or surrender of firearms, firearm accessories or ammunition from law-abiding citizens of this state is to be considered an infringement on the rights of citizens.

SB 106 modifies various provisions of the Oklahoma Self-Defense Act to update the process and qualifications for obtaining a license to carry a firearm. The measure:

- Requires renewal applications to be denied if a current license is pending suspension or revocation or has been suspended or revoked;
- Removes the preclusive period for applicants that have two or more convictions of public intoxication provided the applicant has a certified statement from a licensed physician stating that the person is not in need of substance abuse treatment;
- Prohibits a person whose license was suspended or revoked from obtaining a license for five years;
- Requires the Oklahoma State Bureau of Investigation (OSBI) to utilize the Immigration Alien Query database for non-United States citizens in the course of its background check; and
- Authorizes OSBI to conduct a National Instant Criminal Background Check as part of the license background check.

SB 646 allows an employee of an establishment that sells alcoholic beverages to carry or possess a weapon while in the scope and course of employment if the employee has permission from the owner.

SB 672 clarifies that any person over the age of 18 may transport an unloaded firearm on a public highway in or on their vehicle.

Redistricting

Delays in collecting and reporting data for the 2020 Census have complicated state and local redistricting efforts that take place following each federal decennial census. To meet the constitutional deadline for enacting legislative redistricting plans, lawmakers approved district boundaries for state House and Senate districts based on population estimates from the Census Bureau's 2015-2019 American Community Survey (ACS) and will return for a special session upon the release of the detailed block-level data from the U.S. Census Bureau.

HB 1198, the State House of Representatives Redistricting Act of 2021, provides a geographic description of the new 101 House districts. Each House district was redrawn to have roughly 38,939 persons, the ideal district population based on the 2015-2019 ACS statewide estimate of 3,932,870. Maps of House districts can be viewed [here](#).

SB 1066, the State Senate Redistricting Act of 2021, provides a geographic description of the new 48 Senate districts. Each Senate district was redrawn to have roughly 81,935 persons, the ideal district population based on the statewide estimate. Maps of Senate districts can be viewed [here](#).

Both legislative redistricting measures require the Legislature to review the district boundaries upon the release of the detailed block-level data in August 2021 and make any necessary adjustments for compliance with law. A special session for this purpose is anticipated in late 2021. The new district boundaries will take effect with the 2022 elections.

SB 728 provides a one-time exception for the October 1 deadline for redistricting county commissioner districts. For the 2021 cycle, county commissioners have until November 30, 2021, to adopt a resolution recording new commissioner district boundaries.

SB 347 prohibits local entities from calling elections in December 2021, January 2022 or March 2022, in order to give the state and county election boards time to redraw and implement new precinct boundaries following the completion of congressional, legislative and county commissioner redistricting in 2021. The measure also allows special elections to be held during the second Tuesday of June of an odd-numbered year when there is a vacancy.

Revenue and Taxation

The Legislature passed four measures providing income tax cuts. **HB 2962** reduces the individual income tax by 0.25 percent for all tax brackets beginning with tax year 2022. As a result, Oklahoma's top marginal individual income tax rate will be 4.75 percent. The measure also restores refundability of the Earned Income Tax Credit.

HB 2960 reduces the corporate income tax from 6 percent to 4 percent. **HB 2961** and **HB 2963** mirror the tax cut for banking entities and pass-through entities, respectively.

SB 608 creates the Filmed in Oklahoma Act of 2021 and provides for an incentive rebate program, administered by the Department of Commerce and the Tax Commission, for certain film and television series filmed or produced in Oklahoma. The total amount of rebate payments conditionally pre-qualified by the department each fiscal year must not exceed \$30 million, split into \$7.5 million for projects with total expenditures of less than \$7.5 million and \$22.5 million for projects with total expenditures of \$7.5 million or more. The base incentive amount is a maximum of 20 percent of the qualified production expenditure amount, and there are varying additional incentive amounts for certain qualifying projects. The measure also creates the Filmed in Oklahoma Program

Revolving Fund for the purpose of paying the rebates. The provisions of the measure expire on June 30, 2031, at which point any money remaining in the Fund will be transferred to the General Revenue Fund.

HB 2234 creates the Driving on Road Infrastructure with Vehicles of Electricity (DRIVE) Act of 2021. The measure creates a \$0.03 per kilowatt-hour tax on the electric current used to charge the batteries of electric vehicles, beginning January 1, 2024. The tax does not apply to electric vehicles charged at a private residence, and legacy chargers and public charging stations that have never charged a fee for their use are exempt from remitting the tax until November 1, 2041. Beginning July 1, 2027, 85 percent of the revenue will be apportioned to the DRIVE Revolving Fund and 15 percent will be apportioned to various counties of the state to be used for highway maintenance and operations. The measure also provides for a tax credit not to exceed the total amount of registration fees for electric vehicles paid by the taxpayer beginning tax year 2024.

HB 1712 creates the Road User Charge Task Force, which is directed to study methods that may be used to record and report public road usage, as well as alternatives to the current system of taxing highway use through motor vehicle fuel taxes. Its report on findings and recommendations is due by December 31, 2023. The measure directs the Oklahoma Tax Commission to administer collection of any charges or fees associated with the Road User Charge Program. The task force terminates by June 30, 2024.

HB 2860 creates the Oklahoma Remote Quality Jobs Incentive Act with the stated intent to attract growth industries and sectors to Oklahoma to employ remote workers. The measure provides for quarterly incentive payments for a 10-quarter period for proxy establishments that meet certain qualifications, including proof of basic health benefits plans for its remote workers and meeting a certain threshold of employees and wages. Proxy establishments that receive these incentive payments are not eligible to receive any credits or exemptions provided by the Oklahoma Quality Jobs Program Act, the Small Employer Quality Jobs Incentive Act or the 21st Century Quality Jobs Incentive Act. Finally, the measure requires the Department of Commerce to submit a report triennially to the President Pro Tempore of the Senate, the Speaker of the House and the Governor no later than March 1, 2023. The report may be used for the purpose of determining whether to continue or sunset the program.

HB 1009 increases the income eligibility limit to qualify for an additional homestead exemption, from \$20,000 to \$25,000. Monies from any federal stimulus or relief payment related to COVID-19 are excluded from the calculation.

HB 2964 exempts commercial trailers and semitrailers used to transport cargo over the highways of the state from all sales and use taxes.

State Government

HB 1146 transfers administration of most state employee positions from the Oklahoma Merit Protection Commission to the Human Capital Management Division of the Office of Management and Enterprise Services on January 1, 2022. The effect of this merit protection system reform is to transition most state employees from classified service to unclassified. The Human Capital Management Division will establish and maintain a dispute resolution system for state agencies and employees, receive and act on complaints arising from disciplinary actions by state employees, submit quarterly reports on workload statistics to the Legislature, and create a confidential whistleblower program. The bill terminates the existing Oklahoma Merit Protection Commission on December 31, 2022.

SB 585 modifies the definition of *habitual or willful neglect of duty* as it relates to causes for removal of an individual from office, clarifying that an official may be removed for knowingly giving false testimony to a committee of either house of the Legislature, knowingly engaging in operations beyond the authority delegated to the agency served by or employing the officer, or repeatedly refusing to provide information to a committee, either house, or a member of the Legislature within 15 days of receiving a request to do so.

HB 2951 creates the State-Tribal Litigation Revolving Fund for the purpose of hiring legal counsel and paying expenses related to legal controversies between the State and tribal governments. The measure provides that if these provisions are found unconstitutional, the balance of the fund is to be reverted to the General Revenue Fund. A \$10 million appropriation is provided to the fund through the general appropriations bill.

SB 88 modifies voting requirements for public trusts to waive public bidding requirements. The measure authorizes public trusts with fewer than four trustees to waive bidding requirements with two-thirds of the vote instead of three-fourths of the vote. Additionally, the measure exempts public trusts from auditing requirements provided the trust does not possess any debt obligations and has assets totaling less than \$50,000.

States' Rights

With the re-introduction of the States' Rights Committee, lawmakers examined and passed laws reiterating the role of the State under the 10th Amendment. Related measures

protected Oklahoma religious freedom and established a role for the Attorney General in protecting states' rights.

HB 1236 authorizes the State Attorney General to monitor and evaluate whether actions by the federal government, including executive orders by the President, regulations promulgated by a federal agency, or acts of Congress, violate the 10th Amendment. The measure also creates a State Reserved Powers Protection Unit within the Office of the Attorney General to review the federal government's actions. If a review concludes infringement on the 10th Amendment, the Attorney General must determine whether the state should seek an exemption or seek to have the action declared unconstitutional.

The Legislature is also authorized to review federal executive orders, agency rules or legislative actions to determine constitutionality and whether the state should seek exemption or seek to have the federal action declared unconstitutional by a court of competent jurisdiction. Upon recommendation from the Legislature, the Attorney General will review the action to determine constitutionality. If the Attorney General declines to pursue action, the Legislature may, by majority vote, initiate an action to seek an exemption, or seek to have an action declared unconstitutional by a court. No government entity or other publicly funded organization may implement, adopt or enforce any federal order or rule declared unconstitutional.

SB 368 modifies the Oklahoma Religious Freedom Act to prohibit any governmental entity from declaring or deeming a religious institution, as well as any activity directly related to the institution's mission, to be nonessential. The measure prohibits a religious

institution from being subject to closure or restriction greater than that imposed on any private entity facing similar conditions.

Transportation

HB 2079 establishes the Rural Economic Transportation Reliability and Optimization Fund, to be administered by the Oklahoma Department of Transportation (ODOT). Monies in the fund are used to assist in prioritization of construction and maintenance of state highways in rural areas where economic development has resulted in traffic problems. ODOT is directed to confirm the relationship between rural traffic concerns and economic development in consultation with the Department of Commerce, the Tax Commission, or other state agencies as necessary. Monies in the fund must not result in a decrease in transportation funding levels or be used to supplant or replace existing transportation funds.

Veterans and Military

HB 1062 extends the homestead tax exemption for 100-percent-disabled veterans or their surviving spouses, and for surviving spouses of persons who died in the line of duty, to include those who own homes located on land owned by a city or town.

HB 2374 directs the state to establish a program to provide up to \$10,000 of financial assistance for funeral expenses of members of state military forces who die in the line of duty while serving on state active duty orders.

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