

**EHB 3236**

**THE STATE SENATE**  
**Wednesday, March 31, 2010**

**ENGROSSED**

**House Bill No. 3236**

**As Amended**

ENGROSSED HOUSE BILL NO. 3236 - By: Jackson, Luttrell and McDaniel  
(Jeannie) of the House and Newberry of the Senate.

[ cities and towns - Improvement District Act - effective  
date ]

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 11 O.S. 2001, Section 39-103.1, as  
amended by Section 6, Chapter 362, O.S.L. 2007 (11 O.S. Supp. 2009,  
Section 39-103.1), is amended to read as follows:

Section 39-103.1 A. In addition to those purposes set out in  
Section 39-103 of this title, the governing body of any municipality  
having a population of more than one thousand five hundred (1,500)  
may create one or more districts and levy assessments for the  
purpose of providing or causing to be provided any maintenance,  
cleaning, security, shuttle service, upkeep, marketing, management  
or other services which confer special benefits upon property within  
the district by preserving, enhancing or extending the value or  
usefulness of any improvement described in Section 39-103 of this  
title, whether or not the improvement was financed or constructed  
pursuant to this act and such governing body may exclude or modify

1 such assessments according to benefits received on properties which  
2 are exempt from ad valorem taxation, except those assessments  
3 provided for by Section 39-103 of this title. ~~In addition, such~~  
4 Such districts may also be used to fund maintenance, management,  
5 marketing and other services being provided through an active Main  
6 Street Program recognized as such by the Oklahoma Department of  
7 Commerce. In addition, such districts may be used to fund the  
8 acquisition, construction, installation or maintenance of capital  
9 improvements with an estimated useful life of five (5) years or  
10 more, including but not limited to:

- 11 1. Parking facilities;
- 12 2. Benches, booths, kiosks and pedestrian shelters;
- 13 3. Signs;
- 14 4. Trash receptacles;
- 15 5. Public restrooms;
- 16 6. Lighting, heating and air conditioning facilities;
- 17 7. Decorations;
- 18 8. Parks, fountains and planting areas; and
- 19 9. Ramps, sidewalks and plazas;

20 provided the total cost of such improvement is funded in one year's  
21 assessment.

1 General street repair and maintenance on any street used by  
2 vehicular traffic shall not be made a part of any assessments  
3 provided for hereunder.

4 B. For districts created under this section, the engineer's  
5 report may be amended by resolution of the governing body to provide  
6 new or additional services or improvements upon the petition of the  
7 record owners of not less than one-half (1/2) of the area liable for  
8 assessment under the proposal. Petitions seeking to add new or  
9 additional services or improvements to an existing district shall be  
10 filed with the city clerk not less than sixty (60) days prior to the  
11 date of the public hearing on the annual assessment roll.

12 The petition shall set forth:

13 1. A general description of the new or additional services or  
14 improvements to be provided;

15 2. The estimated costs of the services and improvements  
16 proposed to be added;

17 3. The area of the district to be assessed under the proposal;  
18 and

19 4. The proposed method of assessment.

20 C. For districts created under this section, property adjacent  
21 to such district may be annexed into the district upon the petition  
22 of the record owners of more than one-half (1/2) of the area liable  
23 to be assessed under the proposal. Petitions seeking to annex

1 additional property into an existing assessment district shall be  
2 filed with the city clerk not less than sixty (60) days prior to the  
3 hearing on the annual assessment roll.

4 The petition shall set forth:

5 1. The area to be annexed to the district;

6 2. The nature of the services and/or improvements to be  
7 provided to the area to be annexed;

8 3. The estimated costs of the services and/or improvements to  
9 be provided to the area to be annexed; and

10 4. The proposed method of assessment.

11 D. If the governing body determines that it is desirable to  
12 continue to provide or cause to be provided the improvements and  
13 services, to provide new or additional services, or improvements, or  
14 to annex additional property into an existing assessment district  
15 authorized by this section, the governing body shall annually  
16 prepare and cause to be filed in the office of the municipal clerk  
17 ~~an assessment roll~~ a resolution containing, among other things:

18 1. The assessment roll;

19 2. The new or additional services, or improvements proposed to  
20 be provided, if any;

21 3. A description of the area proposed to be annexed into the  
22 district, if any;

1        4. The name and address of the last-known owner of each tract  
2 or parcel of land to be assessed, or if the name of the owner is  
3 unknown, state "unknown". The name and address of the owner of each  
4 tract of land shall be obtained from the records of the county  
5 treasurer;

6        ~~2-~~ 5. A description of ~~the~~ each tract or parcel of land to be  
7 assessed; and

8        ~~3-~~ 6. The amount of the assessment against each tract or parcel  
9 of land.

10        If after filing the assessment roll, it appears that the amount  
11 of the assessment against any tract or parcel of land shall be  
12 increased, new or additional services, or improvements are to be  
13 provided or additional property is to be annexed into the district,  
14 the governing body shall by resolution set a time and place for the  
15 ~~assessment~~ hearing on the resolution at which an owner may object to  
16 the amount of the assessment, the new or additional services, or  
17 improvements to be provided or the additional property to be  
18 annexed.

19        ~~C-~~ E. Not more than thirty (30) days nor less than ten (10)  
20 days before the day of the hearing, the municipal clerk, the deputy  
21 municipal clerk or the engineer shall mail the notice of the hearing  
22 on the ~~assessment roll~~ resolution to the owner of the tract or  
23 parcel of land on which the amount of assessment is increased, new

1 or additional services or improvements are proposed to be added or  
2 proposed to be annexed into the district. Proof of the mailing is  
3 to be made by affidavit by the municipal clerk, the deputy municipal  
4 clerk or the engineer, which shall be filed in the office of the  
5 municipal clerk. Failure of the owner to receive any notice shall  
6 not invalidate any of the proceedings authorized in the Improvement  
7 District Act. Notice of the hearing shall also be published. The  
8 last publication shall be at least seven (7) days prior to the day  
9 of the hearing. Such service by publication shall be verified by an  
10 affidavit of the publisher which is to be filed in the office of the  
11 municipal clerk.

12 ~~D.~~ F. No district created under this section shall continue  
13 beyond the date that final payment of all principal, interest and  
14 other amounts due in connection with bonds issued by that district  
15 has been made, or if no bonds have been issued by the district,  
16 beyond the date that is thirty (30) years after the adoption of the  
17 resolution creating the district, unless re-created as provided in  
18 Section 39-101 et seq. of this title for creation of districts.  
19 Provided that, at any time after its creation, and provided further  
20 that, no bonds or other financial obligations of a district are then  
21 outstanding, the district shall cease to exist if:

22 1. The governing body by resolution terminates the district; or

1           2. The owners of a majority in area of the tracts or parcels of  
2 land within the district and a majority of the owners of record of  
3 property within the district petition in writing to terminate the  
4 district.

5           Such termination shall take effect at the end of the fiscal year  
6 in which the governing body adopts such resolution or determines the  
7 validity of such petition. Nothing herein shall excuse a tract or  
8 parcel of land from its liability for deferred payments or any  
9 assessment.

10           SECTION 2. This act shall become effective November 1, 2010.

11           COMMITTEE REPORT BY: COMMITTEE ON BUSINESS & LABOR, dated 3-29-10 -  
12           DO PASS, As Amended.