

STATE OF OKLAHOMA

1st Session of the 58th Legislature (2021)

HOUSE BILL 2092

By: Sims

AS INTRODUCED

An Act relating to counties and county officers;
creating the Oklahoma Natural Disaster Mitigation and
Recovery Act; permitting counties to initiate
creation of districts; directing resolution be
submitted to the registered voters of the county;
conferring powers; describing territory of a
district; creating Trust Authority; providing for
management and budgetary oversight; developing
administrative policies and procedures; requiring
county to pay for election; providing for notice of
election; stating question to be placed on ballot;
describing eligible voters; providing for conduct of
election subject to general or special election laws;
declaring establishment of district upon majority
vote; providing for levy of annual assessment on
certain property based on assessed value and
specifying purposes thereof; eliminating assessment
automatically after certain time; prohibiting
assessment to be used in exchange for appropriations;
providing exception; providing minimum amount of
assessment be used for certain purpose in certain
rural counties; specifying certain permitted
improvements made by rural counties; providing for a
lien against property if assessment is unpaid;
stating priority of lien; directing specified
accounting procedures by certain county officers;
directing certain costs be paid from the proceeds of
the district; requiring interest to be charged on
delinquent assessment; permitting dissolution of a
district upon certain majority vote; authorizing
certain cooperative agreements with tribal entities;
requiring certain quarterly reports; amending 68 O.S.
2011, Section 2915, which relates to statement to
taxpayers; adding information to be included on
certain statement; providing for codification;

1 providing an effective date; and declaring an
2 emergency.

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

5 SECTION 1. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 501.1 of Title 19, unless there
7 is created a duplication in numbering, reads as follows:

8 This act shall be known and may be cited as the "Oklahoma
9 Natural Disaster Mitigation and Recovery Act".

10 SECTION 2. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 501.2 of Title 19, unless there
12 is created a duplication in numbering, reads as follows:

13 The governing body of a county may initiate the creation of a
14 Natural Disaster Mitigation and Recovery District by the adoption of
15 a resolution calling for the question to be placed before the
16 registered voters of the county of whether to organize a Natural
17 Disaster Mitigation and Recovery District. The resolution shall be
18 submitted to registered voters of the county at a countywide special
19 or general election. When a district is organized, it shall have
20 the powers conferred by the Oklahoma Natural Disaster Mitigation and
21 Recovery Act.

22 SECTION 3. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 501.3 of Title 19, unless there
24 is created a duplication in numbering, reads as follows:

1 A. A Natural Disaster Mitigation and Recovery District shall
2 include all territory located within the county.

3 B. To administer the Natural Disaster Mitigation and Recovery
4 District, a Natural Disaster Mitigation and Recovery Trust Authority
5 shall be created to be responsible for the administration,
6 determination of projects and programs to be funded, to create,
7 amend and oversee the budget and to approve the expenditures of the
8 collected assessment. The Authority shall have seven (7) trustees
9 which shall include the three members of the board of county
10 commissioners, the mayor or other elected officials from three
11 municipalities within the county selected by the board of county
12 commissioners and one member at large selected by the board of
13 county commissioners. Operational management of the Natural
14 Disaster Mitigation and Recovery District as it pertains to the
15 approval of any capital improvements constructed and any short-term
16 and long-term capital acquisitions and other expenditures as
17 provided in paragraphs 1 through 13 of subsection C of Section 6 of
18 this act shall be vested within the Natural Disaster Mitigation and
19 Recovery Trust Authority.

20 C. Budgetary oversight, prioritization of capital and
21 noncapital projects funded and the development of the necessary
22 administrative policies and procedures shall be vested within the
23 Natural Disaster Mitigation and Recovery Trust Authority.

1 SECTION 4. NEW LAW A new section of law to be codified

2 in the Oklahoma Statutes as Section 501.4 of Title 19, unless there
3 is created a duplication in numbering, reads as follows:

4 A. The costs of an election to establish a district shall be
5 paid by the county as determined by the county election board
6 conducting the countywide special or general election.

7 B. The election to determine whether a district shall be
8 established, and the notice thereof, shall be conducted in the same
9 manner as other county questions which are submitted to the
10 electorate of the county. The notice shall require the registered
11 voters of the county to cast ballots which contain the words:

12 1. "Natural Disaster Mitigation and Recovery District - Yes";
13 and

14 2. "Natural Disaster Mitigation and Recovery District - No",
15 or words equivalent thereto.

16 All residents of the county who are qualified electors shall be
17 qualified to vote on the proposition. The district election shall
18 be conducted in accordance with the general or special election laws
19 of the state, and the regular election officials shall be in charge
20 at the usual polling place of each regular precinct, or part of a
21 precinct, which shall include lands within the boundaries of the
22 county.

1 SECTION 5. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 501.5 of Title 19, unless there
3 is created a duplication in numbering, reads as follows:

4 If the certified election results show that greater than sixty
5 percent (60%) of all the votes cast are "Natural Disaster Mitigation
6 and Recovery District - Yes", the governing body of the county
7 shall, by adoption of a resolution, declare the hazard mitigation
8 assessment district established. Any resolution establishing a
9 district shall be filed in the office of the county clerk in the
10 county where the election was held.

11 SECTION 6. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 501.6 of Title 19, unless there
13 is created a duplication in numbering, reads as follows:

14 A. There shall be levied an annual assessment no greater than
15 two (2) mills on the dollar of assessed value on the types of
16 property in the district as provided in paragraphs 1, 2 and 3 of
17 subsection A of Section 2803 of Title 68 of the Oklahoma Statutes.

18 B. The annual assessment provided in subsection A of this
19 section shall not apply to real property zoned for agricultural land
20 use, livestock utilized in support of the family and personal
21 property owned by for-profit agricultural business entities. A
22 property that is exempt from the assessment at the time when the
23 voters approve the assessment shall remain exempt even if the
24 property is rezoned to a nonexempt category at a later time.

1 Government-owned and nonprofit properties shall be exempt from the
2 annual assessment. Properties located within a tax increment
3 financing district shall be subject to the assessment.

4 C. The proceeds of the assessments shall be used for the short-
5 term and long-term capital acquisitions and capital improvements of
6 the Natural Disaster Mitigation and Recovery District, as well as
7 expenses related to any of the following, or combination of the
8 following, purposes:

9 1. Planning, designing, installing, constructing, operating and
10 maintaining natural disaster mitigation capital improvements;

11 2. Creating a fund balance equal to ten percent (10%) of the
12 amount of assessment collected annually to be used by the county
13 where the district is located or any municipality located within the
14 district for matching any funding requirements by the state or
15 federal government in order to qualify and to receive state or
16 federal government disaster relief funds;

17 3. Purchasing and maintaining equipment and vehicles required
18 to implement projects in a FEMA-approved hazard mitigation plan;

19 4. Providing funds in support of efforts to acquire and
20 demolish or relocate, if technically feasible, or elevate structures
21 located in areas prone to flooding, including expenses to ensure
22 that people whose real property is acquired using federal funds, or
23 who move as a result of projects receiving funds, will be treated
24 fairly and equitably, pursuant to the Uniform Relocation Assistance

1 and Real Property Acquisition Policies Act of 1970, Sections 4601
2 through 4655 of Title 42 of the United States Code, and receive
3 assistance in moving from the property they occupy;

4 5. Providing funding to county health departments for the
5 creation of and implementation of public health natural disaster
6 mitigation plans;

7 6. Funding for studies, evaluations, consulting services and
8 professional services related directly or indirectly to purposes in
9 paragraphs 1 through 5 of this subsection;

10 7. Providing and receiving natural disaster mitigation
11 training;

12 8. Providing administrative costs not to exceed five percent
13 (5%) of the total amount of assessment collected annually for the
14 administration of the natural disaster mitigation plan;

15 9. Providing for costs incurred by the county for including
16 hazard mitigation assessment information in the tax statement as
17 provided in subsection B of Section 2915 of Title 68 of the Oklahoma
18 Statutes;

19 10. Providing any funds required as a deductible on the
20 municipal and county property insurance policies that cover any
21 property, buildings, facilities, equipment, vehicles and materials
22 located within the district damaged or destroyed as a result of the
23 hazard for which an insurance claim is filed. For purposes of this
24 subsection, "hazard" shall mean a condition with the potential

1 threat or actual loss or harm to humans, property, the community or
2 environment that is naturally occurring or a human-induced disaster
3 or event which poses or results in great risk or danger or damage;

4 11. Providing for any required matching funds in order to
5 receive hazard mitigation grants from the state or federal
6 government or any private sector or nonprofit organization provided
7 grant funds;

8 12. Providing natural mitigation and recovery funding to public
9 authorities and trusts which are responsible for the management,
10 operation, construction, maintenance and preservation of public
11 property; and

12 13. Providing funds for any cleanup, demolition, debris removal
13 and hazardous material removal following any hazard.

14 D. The establishment of the assessment shall terminate five (5)
15 years after the passage by the voters of the county unless renewed
16 by the voters of the county.

17 SECTION 7. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 501.7 of Title 19, unless there
19 is created a duplication in numbering, reads as follows:

20 No portion of annual assessment shall be used to supplant or be
21 used in exchange for any current appropriations dedicated for and
22 expended for natural disaster mitigation or recovery expenditures.
23 The annual assessment shall only be used in addition to or to
24 supplement current appropriations and expenditures for natural

1 disaster mitigation or disaster recovery. The prohibition provided
2 in this subsection shall not apply to federal Community Development
3 Block Grant (CDBG) funding which a county or municipality is using
4 for natural disaster mitigation or disaster recovery. In those
5 cases, the annual assessment shall be used to replace any CDBG
6 funding which has been directed towards natural disaster mitigation,
7 recovery expenditures or both natural disaster mitigation and
8 recovery expenditures.

9 SECTION 8. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 501.8 of Title 19, unless there
11 is created a duplication in numbering, reads as follows:

12 In counties determined by the most recent Federal Decennial
13 Census to be completely or mostly rural, no less than forty percent
14 (40%) of the annual assessment collected in the county shall be used
15 for mitigation improvements, disaster recovery or both mitigation
16 improvements and disaster recovery impacting agricultural property.

17 Improvements made by rural counties under this section may also
18 be used to develop and implement communication infrastructure,
19 including, but not limited to, broadband and fiber to provide
20 emergency communications, warnings, advisories and other public
21 safety and health services.

22 SECTION 9. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 501.9 of Title 19, unless there
24 is created a duplication in numbering, reads as follows:

1 Every assessment levied under the authority of the Natural
2 Disaster Mitigation and Recovery Trust Authority shall be a lien
3 against the tract of land on which it has been levied, until paid,
4 and the lien shall be coequal with the lien of ad valorem and other
5 taxes, including special assessments, and prior and superior to all
6 other liens, and the assessment shall draw interest and shall be
7 collected in the same manner as ad valorem taxes.

8 SECTION 10. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 501.10 of Title 19, unless there
10 is created a duplication in numbering, reads as follows:

11 The county assessor shall compute and enter, in respective
12 columns of the tax rolls, the respective sums in dollars and cents
13 to be paid on each piece of property therein enumerated. The county
14 clerk shall certify to the county treasurer in the county where the
15 district, or any part thereof, is located the amount of assessment
16 in each fund levied upon each tract. The county treasurer shall
17 enter the amount of each in separate columns of the tax list of the
18 county. The assessments shall be collected by the county treasurer
19 at the same time and in the same manner as all other taxes are
20 collected in this state. Costs associated with the collection of
21 the assessments incurred by the county treasurer shall be paid from
22 the proceeds of the district. If any assessment becomes delinquent,
23 it shall draw interest as a penalty after delinquency at the rate of
24 eighteen percent (18%) per annum. All assessments and penalties

1 collected or received from the Oklahoma Natural Disaster Mitigation
2 and Recovery Act shall be paid to the county treasurer.

3 SECTION 11. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 501.11 of Title 19, unless there
5 is created a duplication in numbering, reads as follows:

6 A district may be dissolved by a majority vote of the registered
7 voters at an election called for that purpose by the governing body
8 of the county.

9 SECTION 12. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 501.12 of Title 19, unless there
11 is created a duplication in numbering, reads as follows:

12 The governing body of the county is authorized to negotiate and
13 enter into intergovernmental cooperative agreements on behalf of the
14 district with a federally recognized Indian tribal government within
15 this state, owner of restricted property, beneficiaries of trust
16 property and the federal Bureau of Indian Affairs to address
17 payments in lieu of assessments and other issues of mutual interest.

18 SECTION 13. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 501.13 of Title 19, unless there
20 is created a duplication in numbering, reads as follows:

21 The governing body of the county shall prepare, present and file
22 quarterly reports on the activities of the Natural Disaster
23 Mitigation and Recovery District. The reports shall include, but
24 shall not be limited to, the current receipts, the current

1 expenditures, the projects funded, the projects to be funded in the
2 next quarter, and any other information regarding the activities and
3 actions taken.

4 SECTION 14. AMENDATORY 68 O.S. 2011, Section 2915, is
5 amended to read as follows:

6 Section 2915. A. It shall be the duty of every person subject
7 to taxation under the Ad Valorem Tax Code, Section 2801 et seq. of
8 this title, to attend the treasurer's office and pay taxes, and if
9 any person neglects to attend and pay taxes until after they have
10 become delinquent, the treasurer shall collect the same in the
11 manner provided by law. If any person owing taxes, removes from one
12 county to another in this state, the county treasurer shall forward
13 the tax claim to the treasurer of the county to which the person has
14 removed, and the taxes shall be collected by the county treasurer of
15 the latter place as other taxes and returned to the proper county,
16 less legal charges. The county treasurer may visit, in person or by
17 deputy, places other than the county seat for the purpose of
18 receiving taxes. Nothing herein shall be so construed as to prevent
19 an agent of any person subject to taxation from paying the taxes.

20 B. The county treasurer of each county shall, within thirty
21 (30) days after the tax rolls have been completed and delivered to
22 the office of the county treasurer by the county assessor, mail to
23 each taxpayer at the taxpayer's last-known address a statement
24 showing separately the amount of all ad valorem taxes assessed

1 against the taxpayer's real and personal property for the current
2 year ~~and~~, all delinquent taxes remaining unpaid thereon for previous
3 years and, if applicable, any assessments levied on properties
4 within a Natural Disaster Mitigation and Recovery District pursuant
5 to Section 6 of this act. At the county treasurer's option, in lieu
6 of regular mailing, the treasurer may instead send the tax statement
7 to the taxpayer by electronic mail provided the taxpayer has
8 submitted a written request to receive such statements by electronic
9 mail instead of by regular mail. It is expressly provided, however,
10 that failure of any taxpayer to receive such statement, or failure
11 of the treasurer to so mail the same, shall not in any way extend
12 the date by which such taxes or assessments shall be due and payable
13 nor relieve the taxpayer or property owner of the duty and
14 responsibility of paying same as provided by law.

15 C. The statement required by this section shall contain an
16 explanation of how the ad valorem tax bill is calculated using
17 language so that a person of common understanding would know what is
18 intended. The statement shall also contain an explanation of the
19 manner in which ad valorem taxes are apportioned between the county,
20 school district or other jurisdiction levying ad valorem taxes and
21 shall identify the apportionment of the taxes for the current year
22 on the subject property. The State Auditor and Inspector shall
23 promulgate rules necessary to implement the provisions of this
24 subsection.

1 D. It shall be the mandatory duty of the county treasurer to
2 request an appropriation for necessary postage and expense to defray
3 the cost of furnishing taxpayers the statement herein provided and
4 it shall be the mandatory duty of the board of county commissioners
5 and the county excise board to make such appropriation.

6 SECTION 15. This act shall become effective July 1, 2021.

7 SECTION 16. It being immediately necessary for the preservation
8 of the public peace, health or safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

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