

1 ENGROSSED HOUSE AMENDMENT
TO
2 ENGROSSED SENATE BILL NO. 435 By: Montgomery of the Senate
3 and
4 Martinez of the House
5
6 An Act relating to the Service Warranty Act; amending
7 15 O.S. 2021, Section 141.14, which relates to
8 penalties, reports, and administrative fees;
9 modifying administrative fee amount; providing
10 exclusion of certain fee; conforming language; and
11 providing an effective date.
12
13 AUTHOR: Remove Representative Martinez as principal House author
14 and substitute with Representative O'Donnell
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16 AUTHOR: Remove Senator Montgomery as principal Senate author and
17 substitute with Senator Seifried
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19 AMENDMENT NO. 1. Strike the title, enacting clause, and entire bill
20 and insert:
21
22 "An Act relating to public health and safety;
23 amending 63 O.S. 2021, Section 2871, as amended by
24 Section 12, Chapter 258, O.S.L. 2023 (63 O.S. Supp.
2023, Section 2871), which relates to the Regional
Emergency 9-1-1 Services Act; removing prohibition on
the establishment of new public safety answering
points; and declaring an emergency.

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

2 SECTION 1. AMENDATORY 63 O.S. 2021, Section 2871, as
3 amended by Section 12, Chapter 258, O.S.L. 2023 (63 O.S. Supp. 2023,
4 Section 2871), is amended to read as follows:

5 Section 2871. A. This act shall be known and may be cited as
6 the "Regional Emergency 9-1-1 Services Act".

7 B. It is the purpose of the Regional Emergency 9-1-1 Services
8 Act to encourage formation of emergency communication districts in
9 order to provide efficient delivery of emergency 9-1-1 service
10 throughout the state.

11 C. The Regional Emergency 9-1-1 Services Act shall not apply to
12 any 9-1-1 system or public agency participating in a 9-1-1 system
13 that was established prior to January 1, 2017, and that had adopted
14 Phase II 9-1-1 service by that date.

15 D. ~~A new public safety answering point shall not be established~~
16 ~~after July 1, 2024, unless the new public safety answering point is~~
17 ~~established as a result of:~~

18 ~~1. A consolidation with an existing public safety answering~~
19 ~~point; or~~

20 ~~2. A replacement of an existing public safety answering point.~~

21 ~~E.~~ For the purposes of this section:

22 1. "District" means an emergency communication district;
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1 2. "Emergency communication district" means a district formed
2 pursuant to the Regional Emergency 9-1-1 Services Act to deliver
3 emergency 9-1-1 services on a regional basis;

4 3. "9-1-1 system" means an entity that processes emergency 9-1-
5 1 calls through a public safety answering point;

6 4. "Participating public agency" means a public agency that is
7 included in a district;

8 5. "Principal municipality" means the municipality with the
9 largest population in a district; and

10 6. "Public agency" means any city, town, county, municipal
11 corporation, public district, public trust, substate planning
12 district, public authority or tribal authority located within this
13 state which provides or has authority to provide firefighting, law
14 enforcement, ambulance, emergency medical or other emergency
15 services.

16 ~~F.~~ E. On or before December 31, 2017, all public agencies in
17 this state shall form regional emergency communication districts for
18 the purpose of creating an area-wide emergency 9-1-1 system for
19 their respective jurisdictions. The territory of the district shall
20 be coextensive with the territory of the regional substate planning
21 district unless a different territory is approved by the Oklahoma 9-
22 1-1 Management Authority. If a public agency is situated in more
23 than one such territory, it shall become part of the district in
24 which it is principally located. If, due to the effect of

1 subsection C of this section, the majority of the participating
2 public agencies located in the territory of a proposed district
3 determine that it would be in the best interests of their citizens,
4 they may request inclusion in an adjacent district.

5 ~~G.~~ F. The public agencies to be included in each district may
6 form the district by entering into local cooperative agreements
7 which shall establish a governance structure and provide for the
8 joint implementation, funding, operation, and management of the
9 district.

10 ~~H.~~ G. If the public agencies in a region are unable to develop
11 a local cooperative agreement by December 31, 2017, they shall be
12 included in an emergency communication district that is governed by
13 a board of directors consisting of an appointee by each public
14 agency that was authorized by its voters to fund a 9-1-1 system
15 prior to the formation of the district, one appointee elected by a
16 majority of the remaining public agencies in the district, and an
17 additional appointee by the principal municipality in the district
18 who shall serve as chair of the board.

19 ~~I.~~ H. Unless otherwise provided by agreement, any participating
20 public agency that had been authorized by its voters to fund a 9-1-1
21 system prior to the formation of the district shall retain control
22 of the property, operation, and funding of its system; provided,
23 however, the district may contract with such participating public
24 agency to include the agency's system in the district's master

1 implementation plan. To the extent practicable, the district shall
2 not duplicate the equipment or answering point services already
3 provided by a participating public agency. A user of one or more
4 communication services subject to the payment of fees or taxes for
5 an emergency 9-1-1 system shall not be charged for more than one
6 such fee or tax for each service.

7 ~~F.~~ I. An emergency communication district shall have power to
8 make all contracts to carry out the purposes of the Regional
9 Emergency 9-1-1 Services Act, purchase and convey real property,
10 impose service fees authorized for public agencies for the provision
11 of 9-1-1 service, appoint a manager of the district, and adopt rules
12 and policies for the operation of the district.

13 ~~K.~~ J. Within one (1) year after the effective date of the
14 formation of the district, the board of directors shall submit its
15 master plan to deliver Phase II emergency 9-1-1 service throughout
16 its territory to the Oklahoma 9-1-1 Management Authority for
17 approval. The Authority shall have the power to prescribe the terms
18 of the plan and to approve or disapprove the master plan.
19 Additionally, the Authority shall have the power to request the Tax
20 Commission to escrow the wireless fees attributable to the public
21 agencies which have not submitted a master plan or which have not
22 complied with the terms of the master plan.

23 ~~L.~~ K. An emergency communication district shall operate on a
24 fiscal year beginning July 1. It shall adopt an annual budget and

1 cause to be prepared an independent financial audit annually. As
2 soon as practicable after the end of the fiscal year, the district
3 shall deliver to each participating public agency an annual report
4 showing in detail the operations of the district.

5 SECTION 2. It being immediately necessary for the preservation
6 of the public peace, health or safety, an emergency is hereby
7 declared to exist, by reason whereof this act shall take effect and
8 be in full force from and after its passage and approval."

9 Passed the House of Representatives the 23rd day of April, 2024.

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12 Presiding Officer of the House of
13 Representatives

14 Passed the Senate the ____ day of _____, 2024.

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17 Presiding Officer of the Senate
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1 ENGROSSED SENATE
2 BILL NO. 435

By: Montgomery of the Senate

3 and

4 Martinez of the House

5
6 An Act relating to the Service Warranty Act; amending
7 15 O.S. 2021, Section 141.14, which relates to
8 penalties, reports, and administrative fees;
9 modifying administrative fee amount; providing
10 exclusion of certain fee; conforming language; and
11 providing an effective date.

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

13 SECTION 3. AMENDATORY 15 O.S. 2021, Section 141.14, is
14 amended to read as follows:

15 Section 141.14. A. In addition to the license fees provided in
16 the Service Warranty Act for service warranty associations each
17 service warranty association and insurer shall annually, on or
18 before the first day of May, file with the Insurance Commissioner
19 its annual financial statement showing all gross written provider
20 fees or assessments received by it in connection with the issuance
21 of service warranties in this state during the preceding calendar
22 year and other relevant financial information as deemed necessary by
23 the Commissioner. The financial statements required by this
24 subsection must be:

1 1. Audited and prepared in accordance with statutory accounting
2 principles if the applicant complies with the requirements of
3 subsection A of Section 141.6 of this title; or

4 2. Verified under oath of at least two of its principal
5 officers and prepared in accordance with generally accepted
6 accounting principles if the applicant utilizes an insurance policy
7 which satisfies the requirements of subsection B of Section 141.6 of
8 this title.

9 B. The Commissioner may levy a fine of up to One Hundred
10 Dollars (\$100.00) a day for each day an association neglects to file
11 its financial statement in the form and within the time provided by
12 the Service Warranty Act.

13 C. In addition to the annual financial statements required to
14 be filed by subsection A of this section, the Commissioner may
15 require of licensees, under oath and in the form prescribed by it,
16 quarterly statements or special reports which the Commissioner deems
17 necessary for the proper supervision of licensees under the Service
18 Warranty Act.

19 D. Provider fees and assessments received by associations and
20 insurers for service warranties shall not be subject to the premium
21 tax provided in Section 624 of Title 36 of the Oklahoma Statutes,
22 but ~~shall be subject to an administrative fee of equal to two~~
23 ~~percent (2%) of the gross provider fee received on the sale of all~~
24 ~~service warranties issued in this state during the preceding~~

1 ~~calendar quarter. The fees shall be paid quarterly to the Insurance~~
2 ~~Commissioner. However,~~ licensed associations, licensed insurers and
3 entities with applications for licensure as a service warranty
4 association pending with the Department that have contractual
5 ~~liability insurance in place as of March 31, 2009, from an insurer~~
6 ~~which satisfies the requirements of subsections B and C of Section~~
7 ~~141.6 of this title and which covers one hundred percent (100%) of~~
8 ~~the claims exposure of the association or insurer on all contracts~~
9 ~~written may elect to~~ shall pay an annual administrative fee of ~~Three~~
10 ~~Thousand Dollars (\$3,000.00) in lieu of the two-percent~~
11 ~~administrative fee~~ Four Thousand Two Hundred Dollars (\$4,200.00).
12 The administrative fee set forth in this section shall not be
13 subject to subsection C of Section 307.3 of Title 36 of the Oklahoma
14 Statutes.

15 SECTION 4. This act shall become effective January 1, 2024.
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1 Passed the Senate the 23rd day of March, 2023.

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3 _____
4 Presiding Officer of the Senate

5 Passed the House of Representatives the ____ day of _____,
6 2023.

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8 _____
9 Presiding Officer of the House
10 of Representatives