

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 59th Legislature (2023)

4   COMMITTEE SUBSTITUTE  
5   FOR  
6   HOUSE BILL NO. 1921

By: Sims of the House

and

**Rader** of the Senate

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10                               COMMITTEE SUBSTITUTE

11       An Act relating to counties and county officers;  
12       creating the Oklahoma Hazard Mitigation Assessment  
13       District Act; permitting counties to initiate  
14       creation of hazard mitigation assessment districts;  
15       directing resolution be submitted to the registered  
16       voters of the county; conferring powers; describing  
17       territory of a hazard mitigation assessment district;  
18       creating Hazard Mitigation District Trust Authority;  
19       providing for management and budgetary oversight;  
20       developing administrative policies and procedures;  
21       requiring county to pay for election; providing for  
22       notice of election; stating question to be placed on  
23       ballot; describing eligible voters; providing for  
24       conduct of election subject to general or special  
      election laws; declaring establishment of district  
      upon majority vote; authorizing creation of certain  
      advisory board; 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; providing for a  
      lien against property if assessment is unpaid;  
      stating priority of lien; directing specified  
      accounting procedures by certain county officers;

1 directing certain costs be paid from the proceeds of  
2 the district; requiring interest to be charged on  
3 delinquent assessment; permitting dissolution of a  
4 hazard mitigation assessment district upon certain  
5 majority vote; authorizing certain cooperative  
6 agreements with tribal entities; requiring certain  
7 quarterly reports; amending 68 O.S. 2021, Section  
8 2915, which relates to statement to taxpayers; adding  
9 information to be included on certain statement;  
10 providing for codification; providing an effective  
11 date; and declaring an emergency.

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

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

16 This act shall be known and may be cited as the "Oklahoma Hazard  
17 Mitigation Assessment District Act".

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

21 The governing body of a county may initiate the creation of a  
22 hazard mitigation assessment district by the adoption of a  
23 resolution calling for the question to be placed before the  
24 registered voters of the county of whether to organize a hazard  
mitigation assessment district. The resolution shall be submitted  
to registered voters of the county at a countywide special or  
general election. When a district is organized, it shall have the

1 powers conferred by the Oklahoma Hazard Mitigation Assessment  
2 District Act.

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

6 A. A hazard mitigation assessment district shall include all  
7 territory located within the county.

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

1 C. Budgetary oversight, prioritization of capital and  
2 noncapital projects funded and the development of the necessary  
3 administrative policies and procedures shall be vested within the  
4 Hazard Mitigation District Trust Authority.

5 SECTION 4. NEW LAW A new section of law to be codified  
6 in the Oklahoma Statutes as Section 501.4 of Title 19, unless there  
7 is created a duplication in numbering, reads as follows:

8 A. The costs of an election to establish a hazard mitigation  
9 assessment district shall be paid by the county as determined by the  
10 county election board conducting the countywide special or general  
11 election.

12 B. The election to determine whether a district shall be  
13 established, and the notice thereof, shall be conducted in the same  
14 manner as other county questions which are submitted to the  
15 electorate of the county. The notice shall require the registered  
16 voters of the county to cast ballots which contain the words:

17 1. "Hazard Mitigation Assessment District - Yes"; and

18 2. "Hazard Mitigation Assessment District - No",

19 or words equivalent thereto. All residents of the county who are  
20 qualified electors shall be qualified to vote on the proposition.  
21 The hazard mitigation assessment district election shall be  
22 conducted in accordance with the general or special election laws of  
23 the state, and the regular election officials shall be in charge at  
24 the usual polling place of each regular precinct, or part of a

1 precinct, which shall include lands within the boundaries of the  
2 county.

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

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

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

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

20 B. The annual assessment provided in subsection A of this  
21 section shall not apply to real property assessed for agricultural  
22 land use, livestock utilized in support of the family and personal  
23 property owned by for-profit agricultural business entities. A  
24 property that is exempt from the assessment at the time when the

1 voters approve the assessment shall remain exempt even if the  
2 property is reassessed to a nonexempt category at a later time.  
3 Government-owned and nonprofit properties shall be exempt from the  
4 annual assessment. Properties located within a tax increment  
5 financing district shall be subject to the assessment.

6 C. The proceeds of the assessments shall be used for the short-  
7 term and long-term capital acquisitions and capital improvements of  
8 the hazard mitigation assessment district, as well as expenses  
9 related to any of the following, or combination of the following,  
10 purposes:

11 1. Planning, designing, installing, constructing, operating,  
12 and maintaining hazard mitigation capital improvements;

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

19 3. Purchasing and maintaining equipment and vehicles required  
20 to implement projects in an approved Federal Emergency Management  
21 Agency hazard mitigation plan;

22 4. Providing funds in support of efforts to acquire and  
23 demolish or relocate, if technically feasible, or elevate structures  
24 located in areas prone to flooding, including expenses to ensure

1 that people whose real property is acquired using federal funds, or  
2 who move as a result of projects receiving funds, will be treated  
3 fairly and equitably, pursuant to the Uniform Relocation Assistance  
4 and Real Property Acquisition Policies Act of 1970, Sections 4601  
5 through 4655 of Title 42 of the United States Code, and receive  
6 assistance in moving from the property they occupy;

7 5. Providing funding to county health departments for the  
8 creation of and implementation of public health hazard mitigation  
9 plans;

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

13 7. Providing and receiving hazard mitigation training;

14 8. Providing administrative costs not to exceed five percent  
15 (5%) of the total amount of assessment collected annually for the  
16 administration of the hazard mitigation plan;

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

21 10. Providing any funds required as a deductible on the  
22 municipal and county property insurance policies that cover any  
23 property, buildings, facilities, equipment, vehicles, and materials  
24 located within the district damaged or destroyed as a result of the

1 hazard for which an insurance claim is filed. For purposes of this  
2 section, "hazard" shall mean a condition with the potential threat  
3 or actual loss or harm to humans, property, the community or  
4 environment that is naturally occurring or a human-induced disaster  
5 or event which poses or results in great risk or danger or damage;

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

10 12. Providing hazard mitigation and disaster-recovery funding  
11 to public authorities and trusts which are responsible for the  
12 management, operation, construction, maintenance, and preservation  
13 of public property; and

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

16 D. The establishment of the hazard mitigation annual assessment  
17 shall terminate five (5) years after the passage by the voters of  
18 the county unless renewed by the voters of the county.

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

22 No portion of the annual assessment shall be used to supplant or  
23 be used in exchange for any current appropriations dedicated for and  
24 expended for hazard mitigation or disaster recovery expenditures.



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

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

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

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

21 Every assessment levied under the authority of the Oklahoma  
22 Hazard Mitigation Assessment District Act shall be a lien against  
23 the tract of land on which it has been levied, until paid, and the  
24 lien shall be coequal with the lien of ad valorem and other taxes,

1 including special assessments, and prior and superior to all other  
2 liens, and the assessment shall draw interest and shall be collected  
3 in the same manner as ad valorem taxes.

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

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

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

4       A hazard mitigation assessment district may be dissolved by a  
5 majority vote of the registered voters at an election called for  
6 that purpose by the governing body of the county.

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

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

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

19       The governing body of the county shall prepare, present, and  
20 file quarterly reports on the activities of the hazard mitigation  
21 assessment district. The reports shall include, but shall not be  
22 limited to, the current receipts, the current expenditures and the  
23 projects funded, the projects to be funded in the next quarter, and  
24 any other information regarding the activities and actions taken.

1       SECTION 14.       AMENDATORY       68 O.S. 2021, Section 2915, is  
2 amended to read as follows:

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

17       B. The county treasurer of each county shall, within thirty  
18 (30) days after the tax rolls have been completed and delivered to  
19 the office of the county treasurer by the county assessor, mail to  
20 each taxpayer at the taxpayer's last-known address a statement  
21 showing separately the amount of all ad valorem taxes assessed  
22 against the taxpayer's real and personal property for the current  
23 year ~~and~~, all delinquent taxes remaining unpaid thereon for previous  
24 years and, if applicable, any assessments levied on properties

1 within a hazard mitigation assessment district pursuant to Section 6  
2 of this act. At the county treasurer's option, in lieu of regular  
3 mailing, the treasurer may instead send the tax statement to the  
4 taxpayer by electronic mail provided the taxpayer has submitted a  
5 written request to receive such statements by electronic mail  
6 instead of by regular mail. It is expressly provided, however, that  
7 failure of any taxpayer to receive such statement, or failure of the  
8 treasurer to so mail the same, shall not in any way extend the date  
9 by which such taxes or assessments shall be due and payable nor  
10 relieve the taxpayer or property owner of the duty and  
11 responsibility of paying same as provided by law.

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

22 D. It shall be the mandatory duty of the county treasurer to  
23 request an appropriation for necessary postage and expense to defray  
24 the cost of furnishing taxpayers the statement herein provided and

1 it shall be the mandatory duty of the board of county commissioners  
2 and the county excise board to make such appropriation.

3 SECTION 15. This act shall become effective July 1, 2023.

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

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9 COMMITTEE REPORT BY: COMMITTEE ON COUNTY AND MUNICIPAL GOVERNMENT,  
10 dated 03/02/2023 - DO PASS, As Amended and Coauthored.

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