

STATE OF OKLAHOMA

1st Session of the 59th Legislature (2023)

HOUSE BILL 1921

By: Sims

AS INTRODUCED

An Act relating to counties and county officers;
creating the Oklahoma Hazard Mitigation Assessment
District Act; permitting counties to initiate
creation of hazard mitigation assessment districts;
directing resolution be submitted to the registered
voters of the county; conferring powers; describing
territory of a hazard mitigation assessment district;
creating Hazard Mitigation District 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; 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;
directing certain costs be paid from the proceeds of
the district; requiring interest to be charged on
delinquent assessment; permitting dissolution of a
hazard mitigation assessment district upon certain
majority vote; authorizing certain cooperative
agreements with tribal entities; requiring certain
quarterly reports; amending 68 O.S. 2021, Section
2915, which relates to statement to taxpayers; adding

1 information to be included on certain statement;
2 providing for codification; providing an effective
3 date; and declaring an emergency.

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 Hazard
9 Mitigation Assessment District 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 hazard mitigation assessment district by the adoption of a
15 resolution calling for the question to be placed before the
16 registered voters of the county of whether to organize a hazard
17 mitigation assessment district. The resolution shall be submitted
18 to registered voters of the county at a countywide special or
19 general election. When a district is organized, it shall have the
20 powers conferred by the Oklahoma Hazard Mitigation Assessment
21 District 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 hazard mitigation assessment district shall include all
2 territory located within the county.

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

19 C. Budgetary oversight, prioritization of capital and
20 noncapital projects funded and the development of the necessary
21 administrative policies and procedures shall be vested within the
22 Hazard Mitigation District Trust Authority.
23
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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 hazard mitigation
5 assessment district shall be paid by the county as determined by the
6 county election board conducting the countywide special or general
7 election.

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

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

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

15 or words equivalent thereto. All residents of the county who are
16 qualified electors shall be qualified to vote on the proposition.

17 The hazard mitigation assessment district election shall be
18 conducted in accordance with the general or special election laws of
19 the state, and the regular election officials shall be in charge at
20 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 "Hazard Mitigation
6 Assessment District - Yes", the governing body of the county shall,
7 by adoption of a resolution, declare the hazard mitigation
8 assessment district established. Any resolution establishing a
9 hazard mitigation assessment district shall be filed in the office
10 of the county clerk in the 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 of 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 hazard mitigation assessment district, as well as expenses
7 related to any of the following, or combination of the following,
8 purposes:

9 1. Planning, designing, installing, constructing, operating,
10 and maintaining hazard 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 an approved Federal Emergency Management
19 Agency hazard mitigation plan;

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

1 fairly and equitably, pursuant to the Uniform Relocation Assistance
2 and Real Property Acquisition Policies Act of 1970, Sections 4601
3 through 4655 of Title 42 of the United States Code, and receive
4 assistance in moving from the property they occupy;

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

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

11 7. Providing and receiving hazard mitigation 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 hazard 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 section, "hazard" shall mean a condition with the potential threat

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

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

14 D. The establishment of the hazard mitigation annual assessment
15 shall terminate five (5) years after the passage by the voters of
16 the county unless renewed 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 the annual assessment shall be used to supplant or
21 be used in exchange for any current appropriations dedicated for and
22 expended for hazard mitigation or disaster recovery expenditures.
23 The annual assessment shall only be used in addition to or to
24 supplement current appropriations and expenditures for hazard

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

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

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

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

Every assessment levied under the authority of the Oklahoma Hazard Mitigation Assessment District Act shall be a lien against the tract of land on which it has been levied, until paid, and the lien shall be coequal with the lien of ad valorem and other taxes, including special assessments, and prior and superior to all other liens, and the assessment shall draw interest and shall be collected

1 in the same manner as ad valorem taxes.

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

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

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

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

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

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

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

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

22 SECTION 14. AMENDATORY 68 O.S. 2021, Section 2915, is
23 amended to read as follows:
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1 Section 2915. A. It shall be the duty of every person subject
2 to taxation under the Ad Valorem Tax Code, Section 2801 et seq. of
3 this title, to attend the treasurer's office and pay taxes, and if
4 any person neglects to attend and pay taxes until after they have
5 become delinquent, the treasurer shall collect the same in the
6 manner provided by law. If any person owing taxes, removes from one
7 county to another in this state, the county treasurer shall forward
8 the tax claim to the treasurer of the county to which the person has
9 removed, and the taxes shall be collected by the county treasurer of
10 the latter place as other taxes and returned to the proper county,
11 less legal charges. The county treasurer may visit, in person or by
12 deputy, places other than the county seat for the purpose of
13 receiving taxes. Nothing herein shall be so construed as to prevent
14 an agent of any person subject to taxation from paying the taxes.

15 B. The county treasurer of each county shall, within thirty
16 (30) days after the tax rolls have been completed and delivered to
17 the office of the county treasurer by the county assessor, mail to
18 each taxpayer at the taxpayer's last-known address a statement
19 showing separately the amount of all ad valorem taxes assessed
20 against the taxpayer's real and personal property for the current
21 year ~~and~~, all delinquent taxes remaining unpaid thereon for previous
22 years and, if applicable, any assessments levied on properties
23 within a hazard mitigation assessment district pursuant to Section 6
24 of this act. At the county treasurer's option, in lieu of regular

1 mailing, the treasurer may instead send the tax statement to the
2 taxpayer by electronic mail provided the taxpayer has submitted a
3 written request to receive such statements by electronic mail
4 instead of by regular mail. It is expressly provided, however, that
5 failure of any taxpayer to receive such statement, or failure of the
6 treasurer to so mail the same, shall not in any way extend the date
7 by which such taxes or assessments shall be due and payable nor
8 relieve the taxpayer or property owner of the duty and
9 responsibility of paying same as provided by law.

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

20 D. It shall be the mandatory duty of the county treasurer to
21 request an appropriation for necessary postage and expense to defray
22 the cost of furnishing taxpayers the statement herein provided and
23 it shall be the mandatory duty of the board of county commissioners
24 and the county excise board to make such appropriation.

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

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

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