

05/27/2025 05:00:56 PM

HOUSE OF REPRESENTATIVES  
CONFERENCE COMMITTEE REPORT

Mr. President:  
Mr. Speaker:

The Conference Committee, to which was referred

**HB1166**

By: Kelley of the House and Howard of the Senate

Title: Cities and towns; annexation; procedures; annexation of territory without consent of majority of owners; effective date.









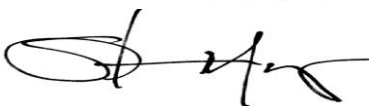







Together with Engrossed Senate Amendments thereto, beg leave to report that we have had the same under consideration and herewith return the same with the following recommendations:

1. That the Senate recede from its amendment; and
2. That the attached Conference Committee Substitute be adopted.

Respectfully submitted,

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

HB1166 CCR (B)  
**HOUSE CONFEREES**

Bennett, Forrest		Crosswhite Hader, Denise	
Dempsey, Eddy		Fugate, Andy	
Hays, Neil		Kelley, Mike	
Lepak, Mark		Luttrell, Ken	
May, Stan		Munson, Cyndi	
Olsen, Jim		Roberts, Eric	
Shaw, Jim		Steagall, Jay	
Strom, Judd		West, Kevin	
Woolley, Gabe			

HB1166 CCR B

**SENATE CONFEREES**

Howard

Brent Howard

Frix

Paxton

Daniels

Stewart

Brooks

[Signature]  
[Signature]  
[Signature]

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

House Action \_\_\_\_\_ Date \_\_\_\_\_ Senate Action \_\_\_\_\_ Date \_\_\_\_\_

**AUTHOR(s)/COAUTHOR(s)CURRENTLY IN THE QUEUE for HB1166**

**As of 5/27/2025 4:54:24 PM**

Add as coauthor Representative Wilk

STATE OF OKLAHOMA

1st Session of the 60th Legislature (2025)

2ND CONFERENCE COMMITTEE  
SUBSTITUTE

FOR ENGROSSED

HOUSE BILL NO. 1166

By: Kelley, Miller, and  
Steagall of the House

and

Howard, Murdock, Bullard,  
and Sacchieri of the Senate

2ND CONFERENCE COMMITTEE SUBSTITUTE

An Act relating to cities and towns; amending 11 O.S. 2021, Section 21-103, which relates to procedures for annexation; modifying procedure for annexation of territory without the consent of majority of owners; modifying detachment procedures; prohibiting municipalities from attaching ad valorem taxes to an annexed area for sinking fund to satisfy certain judgment; limiting annexation of certain sized land areas unless municipality obtains written consent of certain percentage of owners and population; amending 11 O.S. 2021, Section 21-110, which relates to procedures for detachment of municipal territory; permitting detachment when certain conditions are met; amending 11 O.S. 2021, Section 21-111, which relates to liability of detached territory; prohibiting owners of land detached from a municipality from petitioning for annexation for ten years after detachment; and providing an effective date.

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

1       SECTION 1.       AMENDATORY       11 O.S. 2021, Section 21-103, is  
2 amended to read as follows:

3       Section 21-103. A. Before the governing body of a city or town  
4 may annex any territory adjacent or contiguous to the city or town,  
5 it must obtain the written consent of the owners of at least a  
6 majority of the acres to be annexed to the municipality and provide  
7 for notice and a public hearing on the proposed annexation of the  
8 territory in the manner provided in subsection B of this section.  
9 The annexation of land by a connecting strip serving no municipal  
10 purpose other than to establish statutory contiguity or  
11 adjacentness, or to capture territory within the area to be annexed,  
12 constitutes an impermissible exercise of state-delegated authority  
13 by a municipality and shall be prohibited. ~~Municipalities with a~~  
14 ~~population of twelve thousand (12,000) or less may only annex up to~~  
15 ~~eight (8) square miles in one area at any one time provided the~~  
16 ~~municipality obtains the written consent of the owners of at least~~  
17 ~~sixty-five percent (65%) of the acres to be annexed and twenty-five~~  
18 ~~percent (25%) of the population to be annexed.~~

19       B. The governing body shall provide the notice and public  
20 hearing required in subsection A of this section in the following  
21 manner:

22       1. The governing body of the municipality shall direct that  
23 notice of the proposed annexation of the territory be published in a  
24 legally qualified newspaper of general circulation in the territory

1 and shall describe the boundaries of the territory proposed to be  
2 annexed by reference to a map, geographical locations, legal or  
3 physical description or other reasonable designation. The notice  
4 shall state the date, time, and place the governing body shall  
5 conduct a public hearing on the question of annexing the territory.  
6 The notice shall be published in a legal newspaper of general  
7 circulation in the territory sought to be annexed within fourteen  
8 (14) days following the date the governing body directed the notice  
9 to be published;

10 2. A copy of the notice of annexation shall be mailed by first-  
11 class mail to all owners of property to be annexed as shown by the  
12 current year's ownership rolls in the office of the county treasurer  
13 and to all owners of property abutting any public right-of-way that  
14 forms the boundary of the territory proposed to be annexed and to  
15 the Sales and Use Tax Division of the Oklahoma Tax Commission;  
16 provided that the notice of annexation shall be mailed by certified  
17 mail to every person who owns a parcel of land of five (5) acres or  
18 more used for agricultural purposes; and

19 3. The public hearing of such annexation shall be held no  
20 earlier than fourteen (14) days nor more than thirty (30) days  
21 following the publication and mailing of the notice.

22 C. Unless otherwise provided by law, a roadway or road right-  
23 of-way that is adjacent or contiguous to the territory to be annexed  
24

1 shall be considered a part and parcel to the territory to be  
2 annexed.

3 D. 1. Before any territory is annexed to a municipality,  
4 ~~without the written consent of the owners of at least a majority of~~  
5 ~~the acres to be annexed to the municipality in accordance with~~  
6 ~~subsection A of this section, the governing body of the municipality~~  
7 ~~shall direct that notice of the proposed annexation of the territory~~  
8 ~~be published in a legally qualified newspaper of general circulation~~  
9 ~~in the territory and shall hold a public hearing on the proposed~~  
10 ~~annexation. Prior and prior to the publication of notice pursuant~~  
11 ~~to subsection B of this section,~~ the municipality shall prepare a  
12 plan to extend municipal services including, but not limited to,  
13 water, sewer, fire protection, law enforcement and the cost of such  
14 services appropriate to the proposed annexed territory. The plan  
15 shall be included in the notices published and mailed pursuant to  
16 subsection B of this section. The plan shall provide that the  
17 municipality complete the implementation of the plan in accordance  
18 with any existing capital improvement plan applicable to the portion  
19 of the municipality adjacent to the territory proposed to be  
20 annexed. If no such capital improvement plan has been adopted, the  
21 municipality shall complete the service plan within one hundred  
22 twenty (120) months from the date of annexation unless a different  
23 time is determined by consensus between property owners and the  
24 municipality at the hearing. The time for completion of the service



1 plan shall be set forth in the ordinance annexing the territory. If  
2 municipality services are not substantially complete within the  
3 prescribed time, then the ~~territory shall be detached by the~~  
4 ~~governing body~~ affected owners may either directly petition a court  
5 of competent jurisdiction for enforcement of completion of the  
6 planned services or may bring a process for detachment as provided  
7 in Section 21-110 of this title. For purposes of this subsection,  
8 services may be provided by any method or means available to the  
9 municipality to extend municipal services to any other area of the  
10 city or town. ~~Such notice, hearing and plan shall be subject to the~~  
11 ~~following provisions:~~

12 1. ~~The notice shall describe the boundaries of the territory~~  
13 ~~proposed to be annexed by reference to a map, geographical~~  
14 ~~locations, legal or physical description or other reasonable~~  
15 ~~designation and shall state that the proposed service plan is~~  
16 ~~available for inspection at a specified location. The notice shall~~  
17 ~~state the date, time, and place when the governing body shall~~  
18 ~~conduct a public hearing on the question of annexing the territory.~~  
19 ~~The notice shall be published in a legal newspaper of general~~  
20 ~~circulation in the territory sought to be annexed within fourteen~~  
21 ~~(14) days following the date the governing body directed the notice~~  
22 ~~to be published. A copy of the notice of annexation shall be mailed~~  
23 ~~by first-class mail to all owners of property to be annexed as shown~~  
24 ~~by the current year's ownership rolls in the office of the county~~

1 ~~treasurer and to the Department of Transportation for purposes of~~  
2 ~~clarifying any road maintenance responsibilities; provided that the~~  
3 ~~notice of annexation shall be mailed by certified mail to every~~  
4 ~~person who owns parcel of land of five (5) acres or more used for~~  
5 ~~agricultural purposes and to the board of county commissioners of~~  
6 ~~the respective county where the proposed annexation is located. If~~  
7 ~~the territory to be annexed eneroaches upon any adjacent county, a~~  
8 ~~copy of the notice of annexation shall be mailed by first class mail~~  
9 ~~to the board of county commissioners of the adjacent county and of~~  
10 ~~the county where the proposed annexation is located;~~

11 2. ~~The public hearing of such annexation shall be held no~~  
12 ~~earlier than fourteen (14) days nor more than thirty (30) days~~  
13 ~~following the publication and mailing of the notice; and~~

14 3. ~~The proposed service plan shall be available for inspection~~  
15 ~~and be explained to the property owners of the territory to be~~  
16 ~~annexed at the public hearing. The plan may be amended through~~  
17 ~~negotiation at the hearing. The final service plan shall be~~  
18 ~~incorporated into and made part of the ordinance annexing the~~  
19 ~~territory. If the municipality fails to detach pursuant to Section~~  
20 ~~21-110 of this title, then the majority of the annexed territory's~~  
21 ~~registered voters may file a petition with the municipality to~~  
22 ~~detach the territory. The petition shall include a legal~~  
23 ~~description of the area to be detached, contain a plat or similar~~  
24 ~~depiction of the area and detail the reason for detachment. The~~

1 territory petitioned to be detached shall not be platted as a  
2 subdivision of the municipality to which it is seeking to be  
3 detached, shall have at least one border not within the municipality  
4 limits to which the property is seeking to be detached, and shall  
5 plead the allegations of failure of the municipality to  
6 substantially complete the services set forth in the annexation.  
7 Such petition shall be filed with the municipal clerk. If the  
8 municipality fails or refuses to detach the area within ninety (90)  
9 days of receipt of the petition, any of the petitioners may bring a  
10 cause of action in district court to request detachment. The  
11 district court shall enter an order detaching the property if the  
12 court finds a valid petition was filed with the municipality and the  
13 municipality failed to perform its obligations in accordance with  
14 the service plan.

15 E. Subject to the requirements of subsections A and B of this  
16 section, if the municipality fails to reach the thresholds of  
17 consent of owners, a municipality may annex a territory which is  
18 bordered by at least fifty percent (50%) by property within  
19 municipal limits without such consent in the limited circumstance  
20 where the governing board proves beyond a preponderance of the  
21 evidence that the annexation will provide more benefit to all owners  
22 than being excluded. Owners can refute more benefit by showing  
23 lower current utility rates, trash rates, or sanitation rates than  
24 rates offered by the municipality. For emergency services, owners

1 can show response time comparisons and costs of service. Any  
2 determination of less benefit shall result in a judgment for the  
3 owners. The board shall also show that all municipal services  
4 offered to all other municipal residents will be provided to the  
5 territory within one hundred twenty (120) months from the date of  
6 annexation, unless otherwise prohibited by law. To prove such  
7 benefit, the municipality shall petition a court of competent  
8 jurisdiction and provide service to every person entitled to notice  
9 under subsection A of this section. Owners in the territory shall  
10 be permitted no less than thirty (30) days from the date of service  
11 to present a defense. No municipality may bring a forced annexation  
12 under this subsection more often than once per year.

13 F. In any situation where the territory to be annexed by any  
14 city or town includes land owned by a state beneficiary public trust  
15 or that was previously owned and conveyed by a state beneficiary  
16 public trust, annexation ~~shall not be carried out under the~~  
17 ~~provisions of subsection D of this section, but instead~~ shall  
18 require the written consent of all of said trust and transferees of  
19 said trust.

20 ~~F.~~ G. The prevailing property owner in an annexation dispute  
21 shall be entitled to court costs and reasonable attorney fees,  
22 including, but not limited to, when a municipality withdraws,  
23 revokes or otherwise reverses the ordinance at issue in response to  
24 litigation before issuance of a final judgment.

1       ~~G.~~ H. A municipality shall not attach ad valorem taxes to an  
2 annexed area for a sinking fund to satisfy any judgment as provided  
3 by law if the annexed area was not part of the municipality at the  
4 time of the judgment.

5       I. As used in this section:

6       1. "Airport" means any facility owned by any legal entity or by  
7 a county, a municipality or a public trust having at least one  
8 county or municipality as its beneficiary which is used primarily  
9 for the purpose of providing air transportation of persons or goods  
10 or both by aircraft powered through the use of propellers,  
11 turboprops, jets or similar propulsion systems;

12       2. "Military installation" means those facilities constituting  
13 the active or formerly active bases owned by the Department of  
14 Defense or other applicable entity of the United States government  
15 or by any entity of local government after transfer of title to such  
16 installation; and

17       3. "Spaceport" means any area as defined pursuant to Section  
18 5202 of Title 74 of the Oklahoma Statutes.

19       ~~H.~~ J. Except for ordinances enacted pursuant to Section 43-  
20 101.1 of this title, parcels of land five (5) acres or more used for  
21 agricultural purposes annexed into the municipal limits on or after  
22 July 1, 2003, or parcels of land forty (40) acres or more used for  
23 agricultural purposes prior to annexation and have continued in  
24 uninterrupted agriculture use annexed into the municipal limits

1 shall be exempt from ordinances restricting land use and building  
2 construction to the extent such land use or construction is related  
3 to agricultural purposes. Where there is no residence within fifty  
4 (50) feet of the boundaries of such a parcel of land, the property  
5 shall not be subject to ordinances regulating conduct that would not  
6 be an offense under state law; provided, that any such property that  
7 discharges into the municipal water, wastewater, or sewer system  
8 shall be subject to any ordinances or regulations related to  
9 compliance with environmental standards for that system.

10 ~~I.~~ K. Parcels of land situated within an area that is or may be  
11 subject to any form of land use or other regulatory control as a  
12 result of proximity to an airport, spaceport or military  
13 installation shall not be exempt from municipal ordinances or other  
14 laws regulating property for the purpose of operations necessary for  
15 the use of an airport, spaceport or military installation and such  
16 parcels of land shall be subject to all ordinances enacted pursuant  
17 to Section 43-101.1 of this title.

18 ~~J.~~ L. If territory is annexed pursuant to this section, the  
19 annexing governing body shall provide notice by first-class mail  
20 together with a map and plat of the annexed territory to the Sales  
21 and Use Tax Division of the Oklahoma Tax Commission prior to the  
22 effective date of such annexation. The Tax Commission shall notify  
23 the known sales tax vendors within the boundaries of the annexed  
24

territory as provided by Section 119 of Title 68 of the Oklahoma Statutes.

M. No municipality may annex more than the greater of ten percent (10%) of its current land area or eight (8) square miles in one area at any one time unless the municipality obtains the written consent of the owners of at least sixty-five percent (65%) of the acres to be annexed and twenty-five percent (25%) of the population to be annexed.

SECTION 2. AMENDATORY 11 O.S. 2021, Section 21-110, is amended to read as follows:

Section 21-110. A. Territory may be detached from the corporate limits of a municipality by the governing body when:

1. An ordinance of the governing body so directs; ~~or~~
2. The municipality has failed to substantially complete provision of services as required when the territory was annexed; or
3. A petition requesting detachment, ~~signed by at least three-fourths (3/4) of the registered voters and by the owners of at least three-fourths (3/4), in value, of the property to be detached,~~ is filed with the governing body that is either:

- a. signed by at least three-fourths (3/4) of the registered voters and by the owners of at least three-fourths (3/4), in value, of the property to be detached, or

1           b. in the case of detachment for failure to substantially  
2           complete provision of services as required by Section  
3           21-103 of this title, upon petition requesting  
4           detachment signed by a majority of the owners of the  
5           property to be detached.

6           Only land which is within the limits of the municipality and  
7           upon its border and not laid out in lots and blocks, or land which  
8           had been annexed to a municipality, may be detached by petition.

9           B. Petitioners for detachment of municipal territory shall  
10          comply with the following procedures:

11          1. A true and complete unsigned copy of the petition requesting  
12          detachment shall be filed with the clerk of the municipality before  
13          it is circulated and signed by at least three-fourths (3/4) of the  
14          registered voters and by the owners of at least three-fourths (3/4),  
15          in value, of the property to be detached, as required by subsection  
16          A of this section;

17          2. Signed copies of the petition requesting detachment shall be  
18          filed with the clerk of the municipality within ninety (90) days  
19          after the initial filing of the unsigned copy with the clerk; and

20          3. Notice of the filing of the signed petition requesting  
21          detachment with the clerk of the municipality shall be given in the  
22          same manner provided for petitions requesting annexation.

23          Failure to comply with the notice requirement or the other  
24          procedures set forth in this subsection shall render the petition



1 for detachment insufficient and no action thereon shall be required  
2 by the clerk or governing body of the municipality.

3 C. When signed copies of the petition requesting detachment are  
4 timely filed with the clerk of the municipality, the clerk shall  
5 determine the sufficiency of the signatures appearing on the  
6 petition. The clerk shall then publish, in at least one newspaper  
7 of general circulation in the municipality, a notice of the filing  
8 and the apparent sufficiency or insufficiency of the petition.

9 Within ten (10) days following the publication, the governing body  
10 of the municipality shall hold a public hearing on the petition  
11 requesting detachment and take such action thereon as the governing  
12 body deems appropriate, which may include approval, denial, or  
13 deferral.

14 D. Appeal to the district court concerning any action by the  
15 clerk or governing body of the municipality on a petition requesting  
16 detachment shall be in the same manner provided for petitions  
17 requesting annexation.

18 SECTION 3. AMENDATORY 11 O.S. 2021, Section 21-111, is  
19 amended to read as follows:

20 Section 21-111. Any lands detached from a municipality and the  
21 owners thereof shall be liable to the municipality only for the cost  
22 of public improvements which may have been constructed on the  
23 detached lands at the expense of the municipality. The municipality  
24 shall have no claim upon nor collect any tax from the detached

territory for any public debt or the cost of any public improvements  
which have not been expended directly upon the detached lands. No  
owners of land detached from a municipality may petition for  
annexation to the municipality from which the land was detached for  
ten (10) years after detachment.

SECTION 4. This act shall become effective November 1, 2025.

60-1-13830 MJ 05/27/25