

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 COMMITTEE SUBSTITUTE
4 FOR

5 HOUSE BILL NO. 3985

6 By: Caldwell (Trey)

7 COMMITTEE SUBSTITUTE

8 An Act relating to property; creating the Oklahoma
9 Safe Neighborhoods Act of 2026; defining terms;
10 providing rules for certain property owner or triple
11 net leaseholder claims; requiring compensation for
12 certain property damage; listing certain compensable
13 damages; providing for compensation in lieu of claims
14 for monetary damages; providing for how compensation
15 should be determined; determining limits for
16 compensation amounts; providing time period for
17 acceptance or rejection of claims; providing
18 procedural rules following the acceptance or
19 rejection of claims; limiting the number of claims
20 per year; permitting voluntary settlements; providing
21 exceptions; providing for codification; and providing
22 an effective date.

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

24 SECTION 1. NEW LAW A new section of law to be codified
in the Oklahoma Statutes as Section 1110 of Title 60, unless there
is created a duplication in numbering, reads as follows:

This act shall be known and may be cited as the "Oklahoma Safe
Neighborhoods Act of 2026".

1 SECTION 2. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 1111 of Title 60, unless there
3 is created a duplication in numbering, reads as follows:

4 As used in this act:

5 1. "Affected government" means a city, town, or county to which
6 a property owner is submitting a claim provided under this act;

7 2. "Fair market value" means the most likely price, estimated
8 in terms of money, which land would bring if sold in the open
9 market, with reasonable time allowed in which to find a purchaser,
10 buying with knowledge of all the uses and purposes to which the land
11 is adapted and for which the land is capable;

12 3. "Just compensation" means, for purposes of an action of
13 diminution in value, the sum of money that is equal to the reduction
14 in fair market value of the property resulting from the adoption of
15 the policy, pattern, or practice or maintenance of public nuisance;
16 and

17 4. "Property owner" means either the holder of fee title to
18 real property, or a triple net leaseholder.

19 SECTION 3. NEW LAW A new section of law to be codified
20 in the Oklahoma Statutes as Section 1112 of Title 60, unless there
21 is created a duplication in numbering, reads as follows:

22 A. Notwithstanding any other law, a property owner located in a
23 municipality with a population in excess of one hundred thirty
24 thousand (130,000) people, as determined by the most recent Federal

1 Decennial Census, may submit a claim for compensation in an amount
2 determined pursuant to subsection B of this section if an affected
3 government in which the real property is located adopts and follows
4 a policy, pattern, or practice of declining to enforce existing
5 laws, ordinances, or other legislation prohibiting illegal public
6 camping, obstructing public thoroughfares, loitering, panhandling,
7 public urination or defecation, public consumption of alcoholic
8 beverages, possession or use of illegal substances, or shoplifting,
9 or if the affected government in which the real property is located
10 maintains a public nuisance, and either of the following occurs:

11 1. The property owner incurs documented expenses to mitigate
12 the effects of such policy, pattern, practice, or public nuisance on
13 the property owner's real property; or

14 2. The fair market value of the property owner's private real
15 property is reduced by such policy, pattern, practice, or public
16 nuisance.

17 B. The amount of compensation to which the property owner is
18 entitled shall be, at the property owner's election, equal to
19 either:

20 1. The documented expenses incurred by the property owner that
21 were reasonably necessary to mitigate the effects of the policy,
22 pattern, practice, or public nuisance on the property owner's real
23 property; or

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1 2. The reduction in fair market value of the property resulting
2 from the government policy, pattern, practice, or public nuisance.

3 C. The compensation allowed under this section:

4 1. Is in lieu of any claim for monetary damages; and

5 2. May not exceed the amount the property owner paid in the
6 prior tax year in primary property taxes to the affected government.

7 If the total amount of compensation determined pursuant to
8 subsection B of this section is more than the amount the property
9 owner paid in the prior tax year in primary property taxes to the
10 affected government and the claim is accepted, the affected
11 government shall pay the full amount of the primary property tax
12 back to the property owner. The property owner may submit a claim
13 for the remaining portion of the compensation in the following and
14 successive tax years, until the full amount is repaid. No interest
15 shall accrue on the unpaid amount.

16 SECTION 4. NEW LAW A new section of law to be codified
17 in the Oklahoma Statutes as Section 1113 of Title 60, unless there
18 is created a duplication in numbering, reads as follows:

19 A. Within thirty (30) days after a property owner submits a
20 written claim for compensation to the affected government in a
21 specific amount for reimbursement for mitigation expenses or just
22 compensation, the affected government shall accept or reject the
23 claim.

1 1. If the affected government accepts the claim, it shall pay
2 the amount requested to the property owner.

3 2. If the affected government rejects the claim or does not
4 respond to the claim within thirty (30) days, the property owner may
5 file a cause of action in the district court of the county in which
6 the real property is located to challenge the rejection of the
7 claim. The questions of whether the property owner is entitled to
8 the compensation and whether the amount of the claim is reasonable
9 are judicial questions.

10 B. In a cause of action filed pursuant to paragraph 2 of
11 subsection A of this section:

12 1. The affected government shall bear the burden of
13 demonstrating that its actions are lawful or that the amount of the
14 claim is unreasonable;

15 2. The property owner is not liable to the affected government
16 for attorney fees or costs; and

17 3. A prevailing property owner shall be awarded reasonable
18 attorney fees and costs.

19 C. No claim other than those expressly prescribed by this act
20 shall require submission as a prerequisite to demanding or receiving
21 reimbursement for mitigation expenses or just compensation pursuant
22 to this section.

23 D. A property owner may only receive one repayment per calendar
24 year under the provisions of Section 3 of this act.

1 E. If the policy, pattern, practice, or public nuisance remains
2 in place after the property owner submits a claim pursuant to this
3 section and there is demonstrable additional damage to the property,
4 the property owner is entitled to additional compensation under this
5 section in a subsequent tax year, unless the affected government and
6 the property owner enter into a knowing and voluntary settlement, or
7 the affected government ends the policy, pattern, or practice or
8 abates the public nuisance.

9 F. The remedy established by this section is in addition to any
10 other remedy that is provided by the laws and Constitution of
11 Oklahoma or the United States and is not intended to modify or
12 replace such remedies.

13 G. Nothing in this section prohibits the property owner from
14 entering into a knowing and voluntary settlement with the affected
15 government for an amount less than the property owner requested in
16 the claim submitted pursuant to this act.

17 SECTION 5. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 1114 of Title 60, unless there
19 is created a duplication in numbering, reads as follows:

20 This act shall not apply to:

21 1. Decisions by city, town, or county authorities to exercise
22 prosecutorial discretion not to prosecute alleged offenders if such
23 discretion is exercised on a case-by-case basis and the
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1 justifications for each decision are published on a monthly basis by
2 the city, town, or county;

3 2. Acts of executive clemency; or

4 3. Acts or omissions mandated by federal law.

5 SECTION 6. This act shall become effective November 1, 2026.

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