

1 STATE OF OKLAHOMA

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

3 POLICY COMMITTEE

RECOMMENDATION

4 FOR

5 HOUSE BILL NO. 3985

By: Caldwell (Trey)

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POLICY COMMITTEE RECOMMENDATION

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

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

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

23 This act shall be known and may be cited as the "Oklahoma Safe  
24 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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