

1 1. "Public utility" means a municipally owned utility or other
2 publicly owned utility providing municipal water or wastewater
3 services through a utility system;

4 2. "Qualified operations and maintenance program" is a formal,
5 documented program for the management, operation, and maintenance of
6 a municipal water or wastewater utility system. The program may be
7 implemented directly by municipal employees or through a contractual
8 agreement between the municipality and a third-party operator
9 delegating responsibilities and liabilities for operation and
10 maintenance of the public utility to the third-party operator. At a
11 minimum, the program shall include and document the following
12 components:

13 a. the provision of personnel who are certified as
14 required by the Department of Environmental Quality to
15 operate the facilities, and the implementation of a
16 program for ongoing training and education in areas of
17 process control, maintenance, and safety,

18 b. a documented preventative maintenance schedule for all
19 system assets, performed in accordance with
20 manufacturer's recommendations or accepted industry
21 standard. The program shall utilize a computer
22 maintenance management system (CMMS) or equivalent
23 system to track and manage maintenance activities,
24 work orders, and asset inventory,

- 1 c. a routine inspection and cleaning program for the
2 wastewater collection system designed to maintain
3 capacity and reduce blockages. Such a program shall
4 include at a minimum, the annual inspection of ten
5 percent (10%) of sewer lines of the collection system
6 to determine whether sewage flows are clear,
7 moderately occluded or severely occluded and, to the
8 extent financially feasible, a program to clean those
9 lines identified as moderately occluded or severely
10 occluded shall be implemented. If such a cleaning
11 program is not financially feasible, then a program
12 over a five-year period to clean all lines within the
13 collection system that have been identified as
14 moderately occluded or severely occluded shall be
15 adopted by the governing body of the municipality,
- 16 d. a documented plan for responding to system emergencies
17 on a twenty-four-hour per day, seven-day per week
18 basis. The plan shall include protocols for
19 responding to incidents such as line breaks,
20 overflows, or power failures, and shall establish a
21 maximum response time for on-call personnel, no more
22 than two (2) hours from notification if within normal
23 business hours or within a reasonable time if
24 notification occurs outside of normal business hours,

1 e. the maintenance of comprehensive records, kept for a
2 period of not less than three (3) years, documenting
3 all operational activities, maintenance and repairs,
4 compliance with permit requirements, laboratory
5 testing results, and all correspondence with state and
6 federal regulatory agencies, and

7 f. an analysis at a minimum of once every five (5) years
8 of the utility's infrastructure needs to identify and
9 create a priority listing of necessary repairs,
10 replacements, and capital improvements required to
11 maintain the long-term function and compliance of the
12 system. A summary report of such analysis shall be
13 provided to the governing body of the municipality no
14 later than ninety (90) days after the end of the
15 municipality's fiscal year in which the analysis is
16 completed, and annual progress reports over the next
17 four (4) years.

18 B. The governing body of the public utility shall engage users
19 of the public utility system to be advised of their responsibility
20 to properly use the system and methods to safeguard against system
21 malfunction, including, but not limited to, the following:

22 1. As applicable, adopt a "fats, oils and grease ordinance"
23 (FOG) that makes unlawful the improper introduction of fats, oils,
24 or grease from nonresidential entities that are connected to the

1 sanitary sewer system and incorporating pre-treatment regulations
2 adopted by the Department of Environmental Quality for such
3 entities. Public utilities shall periodically notify sanitary sewer
4 system participants and dischargers of the restrictions within this
5 paragraph;

6 2. An ordinance requiring new construction to be connected to
7 the sanitary sewer system or remodels of existing commercial and
8 residential buildings that are already connected to the sanitary
9 sewer system, to include the installation of a backflow-prevention
10 device on the private service line connecting the structure to the
11 sanitary sewer main line;

12 3. Periodically advise private residential property owners who
13 are connected to the sanitary sewer system of the option to install
14 a backflow-prevention device on the private service line. At the
15 discretion of the governing body of the public utility, private
16 residential property owners connected to the sanitary sewer system
17 may be offered public assistance with installation and inspection of
18 backflow-prevention devices, and

19 4. Advising public utility customers of backflow-prevention
20 devices shall be satisfied by annual publication in a newspaper of
21 general circulation within the service area of the public utility,
22 publication on the public utility or city-sponsored website, or
23 annual inserts in ratepayer monthly utility bills.

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1 C. Public utilities that implement the standards prescribed in
2 paragraph 2 of subsection A of this section shall be considered in
3 conformance with the prescribed requirements and recognized
4 standards for operation of the public utility, and as such shall not
5 be liable if a loss or claim results therefrom as provided by
6 paragraph 30 of Section 155 of Title 51 of the Oklahoma Statutes.

7 D. 1. A third-party contractor operating a municipal utility
8 system pursuant to a contractual agreement shall have an affirmative
9 defense against the imposition of administrative penalties by the
10 Department of Environmental Quality for a period of twelve (12)
11 months following the commencement date of the contract, provided
12 that the violations giving rise to such penalties are a direct
13 result of pre-existing, latent, or previously undocumented
14 deficiencies in the system's infrastructure or condition. To
15 qualify for this defense, the contractor must:

- 16 a. within one hundred eighty (180) days of the contract
17 commencement date, complete and submit to the
18 municipality and the Department a comprehensive system
19 condition assessment and a corrective action plan that
20 identifies such pre-existing deficiencies and outlines
21 a schedule for their remediation, and
- 22 b. demonstrate good-faith efforts to implement the
23 corrective action plan and bring the system into
24 compliance;

1 2. No community public utility system, including its contract
2 operator, shall be liable under this act, for violations or alleged
3 noncompliance that occurred or arose under a prior owner or
4 operator. To maintain liability protections under this provision,
5 the community public utility system or its contract operator shall
6 implement a detailed plan, approved by the Department of
7 Environmental Quality, to return the system to full compliance.
8 Liability protections shall remain in place for the duration of the
9 approved plan.

10 SECTION 2. This act shall become effective November 1, 2026.

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12 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT OVERSIGHT, dated
13 03/03/2026 - DO PASS, As Coauthored.

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