

**SENATE FLOOR VERSION**

February 3, 2026

SENATE BILL NO. 1519

By: McIntosh, Grellner, and  
Prieto of the Senate

and

Hall and Woolley of the  
House

An Act relating to municipal zoning; defining terms;  
prohibiting a municipal governing body from adopting  
certain regulations; allowing a municipal governing  
body to adopt certain regulations; providing for  
codification; and providing an effective date.

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

SECTION 1. NEW LAW A new section of law to be codified  
in the Oklahoma Statutes as Section 43-117 of Title 11, unless there  
is created a duplication in numbering, reads as follows:

A. As used in this section:

1. "Business" has the same meaning as that provided in Section  
2001 of Title 18 of the Oklahoma Statutes;

2. "Home-based business" means a business that is operated:

a. on a residential property,

b. by the owner or tenant of such property, and

c. for the purpose of:

1 (1) manufacturing, providing, or selling a lawful  
2 good, or

3 (2) providing a lawful service;

4 3. "No-impact home-based business" means a home-based business  
5 that:

- 6 a. has, at any time on the residential property where  
7 such business is operated, a total number of  
8 employees, clients, or patrons of such business that  
9 does not exceed the occupancy limit for such property  
10 established by municipal ordinance,  
11 b. does not generate on-street parking or a substantial  
12 increase in vehicular traffic in the surrounding area,  
13 c. conducts business activities in a manner which  
14 prevents the viewing of such activities from any  
15 street or highway, and  
16 d. does not substantially increase noise of the  
17 surrounding area or otherwise violate any regulation  
18 of noise established by municipal ordinance; and

19 4. "Short-term rental unit" means any residential dwelling, or  
20 a portion of such dwelling, that is rented for a period of less than  
21 thirty (30) consecutive days.

22 B. No municipal governing body may adopt or enforce any  
23 ordinance, regulation, or measure that:

1        1. Prohibits the operation of a no-impact home-based business  
2 within the limits of the municipality;

3        2. Requires a person operating a no-impact home-based business,  
4 or owning the property where such business operates, to obtain a  
5 license, permit, or any other form of approval to operate such  
6 business; or

7        3. Requires a person operating a no-impact home-based business,  
8 or owning the property where such business operates, to:

9            a. file for a zoning change allowing for a non-  
10 residential use of such property, or

11           b. install a fire suppression system if the property  
12 where such business operates exclusively consists of:

13                (1) a single-family detached residential structure,  
14                        or

15                (2) a multi-family residential structure with not  
16 more than two residential units.

17        C. Except as provided for in subsection B of this section, a  
18 municipal governing body may adopt or enforce an ordinance,  
19 regulation, or measure that requires a no-impact home-based business  
20 to:

21           1. Be in compliance with federal, state, and local law,  
22 including:

23                a. municipal fire and building code, and

24                b. municipal regulations related to:

- (1) health and sanitation,
- (2) transportation or traffic control,
- (3) solid or hazardous waste,
- (4) pollution and noise control, or
- (5) nuisance, as provided by Section 22-121 of Title 11 of the Oklahoma Statutes;

2. Be compatible with the residential use of the property where such business is located;

3. Ensure that any business activities are secondary to the use of such property as a dwelling; and

4. Not engage in:

- a. the sale of alcohol or trafficking of illegal drugs,
- b. the operation of a transitional living facility or halfway house, as defined in Section 3-403 of Title 43A of the Oklahoma Statutes, or
- c. the operation of a sexually oriented business, as defined in Section 1040.55 of Title 21 of the Oklahoma Statutes.

D. The provisions of this section shall not be construed as prohibiting:

1. Any person from enforcing a rule or deed restriction imposed by a homeowners' association or by other private agreement;

2. A municipal governing body from adopting or enforcing an ordinance regulating the operation of a short-term rental unit; or

1        3. A municipal governing body from carrying out its obligation  
2 to ensure the public safety of the municipality.

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

4 COMMITTEE REPORT BY: COMMITTEE ON LOCAL AND COUNTY GOVERNMENT  
5 February 3, 2026 - DO PASS  
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