

STATE OF OKLAHOMA

2nd Session of the 60th Legislature (2026)

HOUSE BILL 3883

By: Cantrell

AS INTRODUCED

An Act relating to cities and towns; providing definitions; directing the governing body of the public utility to engage users of the utility to be advised of their responsibility to properly use the system; providing for notification of system malfunctions to be advised on; limiting liability of public utilities that implement provided standards; providing an affirmative defense for third-party contractors; limiting liability for community public utility systems for violations or alleged noncompliance that arose under prior owner or operator; 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 37-235 of Title 11, unless there is created a duplication in numbering, reads as follows:

A. As used in this act:

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

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

- 10 a. the provision of personnel who are certified as
11 required by the Department of Environmental Quality to
12 operate the facilities, and the implementation of a
13 program for ongoing training and education in areas of
14 process control, maintenance, and safety,
- 15 b. a documented preventative maintenance schedule for all
16 system assets, performed in accordance with
17 manufacturer's recommendations or accepted industry
18 standard. The program shall utilize a computer
19 maintenance management system (CMMS) or equivalent
20 system to track and manage maintenance activities,
21 work orders, and asset inventory,
- 22 c. a routine inspection and cleaning program for the
23 wastewater collection system designed to maintain
24 capacity and reduce blockages. Such a program shall

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

1 compliance with permit requirements, laboratory
2 testing results, and all correspondence with state and
3 federal regulatory agencies, and

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

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

19 1. As applicable, adopt a "fats, oils and grease ordinance"
20 (FOG) that makes unlawful the improper introduction of fats, oils,
21 or grease from nonresidential entities that are connected to the
22 sanitary sewer system and incorporating pre-treatment regulations
23 adopted by the Department of Environmental Quality for such
24 entities. Public utilities shall periodically notify sanitary sewer

1 system participants and dischargers of the restrictions within this
2 paragraph;

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

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

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

21 C. Public utilities that implement the standards prescribed in
22 paragraph 2 of subsection A of this section shall be considered in
23 conformance with the prescribed requirements and recognized
24 standards for operation of the public utility, and as such shall not

1 be liable if a loss or claim results therefrom as provided by
2 paragraph 30 of Section 155 of Title 51 of the Oklahoma Statutes.

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

12 a. within one hundred eighty (180) days of the contract
13 commencement date, complete and submit to the
14 municipality and the Department a comprehensive system
15 condition assessment and a corrective action plan that
16 identifies such pre-existing deficiencies and outlines
17 a schedule for their remediation, and

18 b. demonstrate good-faith efforts to implement the
19 corrective action plan and bring the system into
20 compliance;

21 2. No community public utility system, including its contract
22 operator, shall be liable under this act, for violations or alleged
23 noncompliance that occurred or arose under a prior owner or
24 operator. To maintain liability protections under this provision,

1 the community public utility system or its contract operator shall
2 implement a detailed plan, approved by the Department of
3 Environmental Quality, to return the system to full compliance.
4 Liability protections shall remain in place for the duration of the
5 approved plan.

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

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