

SENATE CHAMBER
STATE OF OKLAHOMA

DISPOSITION

FLOOR AMENDMENT

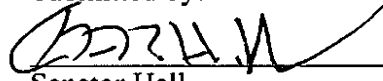
No. 1

COMMITTEE AMENDMENT

(Date)

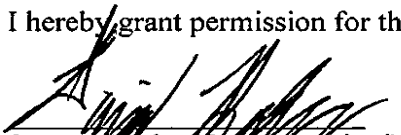
I move to amend House Bill No. 3961, by the attached floor substitute (Request #3777) for the title, enacting clause and entire body of the measure.

Submitted by:



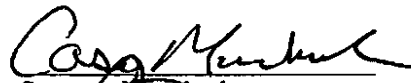
Senator Hall

I hereby grant permission for the floor substitute to be adopted.

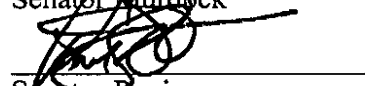


Senator Leader/Chair (required)

Senator Howard



Senator Murdock



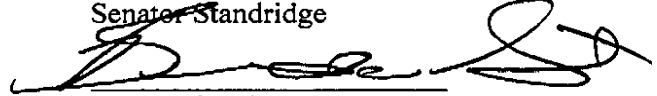
Senator Rosino

Senator Daniels



Senator Hall

Senator Standridge



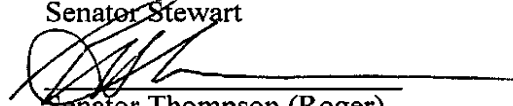
Senator Stanley

Senator Hicks



Senator Kirt

Senator Stewart



Senator Thompson (Roger)

Senator Treat, President Pro Tempore

Senator McCortney, Majority Floor Leader

Note: Finance committee majority requires seven (7) members' signatures.

Hall-QD-FS-HB3961
4/24/2024 6:26 AM

(Floor Amendments Only)

Date and Time Filed: 4-24-24 9:49 am *go*

Untimely

Amendment Cycle Extended

Secondary Amendment

1 STATE OF OKLAHOMA

2 2nd Session of the 59th Legislature (2024)

3 FLOOR SUBSTITUTE
4 FOR ENGROSSED

5 HOUSE BILL NO. 3961

By: Echols of the House

and

Hall of the Senate

6
7
8
9 FLOOR SUBSTITUTE

10 [ad valorem tax - centrally assessed property -
11 broadband service providers - effective date]
12

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

14 SECTION 1. AMENDATORY 68 O.S. 2021, Section 2808, is
15 amended to read as follows:

16 Section 2808. A. As used in the Ad Valorem Tax Code:

17 1. "Public service corporation" means all transportation
18 companies, transmission companies, all gas, electric, light, heat,
19 and power companies, and all waterworks and water power companies,
20 and all persons authorized to exercise the right of eminent domain
21 or to use or occupy any right-of-way, street, alley, or public
22 highway, along, over, or under the same in a manner not permitted to
23 the general public;
24

1 2. "Transportation company" means any company, corporation,
2 trustee, receiver, or any other person owning, leasing, or operating
3 for hire, a street railway, canal, steamboat line, and also any
4 sleeping car company, parlor car company, and express company, and
5 any other company, trustee, or person in any way engaged in such
6 business as a common carrier. As used in the Ad Valorem Tax Code,
7 the term ~~"transportation company"~~ transportation company shall not
8 include any railroad or any air carrier. However, all railroad and
9 air carrier property shall continue to be valued and assessed by the
10 State Board of Equalization for purposes of ad valorem taxation;

11 3. "Transmission company" means any company, corporation,
12 trustee, receiver, or other person owning, leasing, or operating for
13 hire any telegraph or telephone line or radio broadcasting system;

14 4. "Person" means individuals, partnerships, associations, and
15 corporations in the singular as well as plural number;

16 5. "Video services provider" means a subclass of public service
17 corporations consisting of any public service corporation offering
18 video programming services;

19 6. "Video programming" shall have the same meaning as set forth
20 in 47 U.S.C., Section 522(20); ~~and~~

21 7. "Fixed wireless broadband Internet service provider" means
22 an entity that solely offers access to the Internet through a
23 stationary fixed point-to-point connection often requiring direct
24

1 line of sight between the provider's wireless transmitter and its
2 end-user consumer's receiver; and

3 8. "Broadband service providers" means a subclass of public
4 service corporations consisting of any public service corporation
5 offering broadband-based services including Internet access, Voice
6 over Internet Protocol, or Internet Protocol television to end-user
7 consumers. For the purposes of this paragraph, "broadband" means
8 wired internet at speeds in excess of one hundred megabits per
9 second (100 Mbps) for download and twenty megabits per second (20
10 Mbps) for upload.

11 B. As used in the Ad Valorem Tax Code, ~~"transmission company"~~
12 transmission company and ~~"public service corporation"~~ public service
13 corporation shall not be construed to include cable television
14 companies or fixed wireless broadband Internet service providers.

15 C. Any real or personal property used by any company,
16 corporation, trustee, receiver, or other person owning, leasing, or
17 operating for hire any pipeline or oil or gas gathering system which
18 was assessed by the State Board of Equalization after January 1,
19 1997, shall continue to be assessed by the State Board of
20 Equalization through ad valorem tax year 1998.

21 SECTION 2. AMENDATORY 68 O.S. 2021, Section 2847, is
22 amended to read as follows:

23 Section 2847. A. The property of all railroads, air carriers,
24 and public service corporations shall be assessed annually by the

1 State Board of Equalization at its fair cash value estimated at the
2 price it would bring at a fair voluntary sale.

3 B. Taxable values of real and personal property of all
4 railroads, air carriers, and public service corporations shall be
5 established in accordance with the requirements of Section 8 of
6 Article X of the Oklahoma Constitution. The State Board of
7 Equalization shall determine the taxable value of all taxable
8 property that the Board is required by law to assess and value, and
9 shall determine such taxable value in accordance with the
10 requirements of Section 8 of Article X of the Oklahoma Constitution.

11 C. The State Board of Equalization shall assess the property of
12 that subclass of public service corporations known as video services
13 providers, as defined in Section 2808 of this title, as provided:

14 1. Every video services provider shall file with the State
15 Board of Equalization a certification regarding total gross receipts
16 for the immediate preceding calendar year by April 15 and shall
17 specify the total gross receipts derived from video programming
18 services;

19 2. The State Board of Equalization shall determine the
20 percentage of gross receipts the video services provider has derived
21 from video programming in the immediately preceding calendar year;
22 and

23 3. The percentage determined pursuant to paragraph 2 of this
24 subsection shall be applied to the taxable fair cash value allocated

1 to ~~Oklahoma~~ this state, and the resulting fair cash value
2 attributable to video programming services shall be assessed using
3 the statewide average of the assessment ratios applied to the assets
4 of cable television companies in that tax year. Unless the taxpayer
5 or the State Board of Equalization demonstrates otherwise, the
6 statewide average assessment ratio applied to the personal property
7 of a cable television company shall be assumed to be twelve percent
8 (12%).

9 D. The percentage of fair cash value for real and personal
10 property of railroads, air carriers, and public service corporations
11 required by the Oklahoma Constitution to be taxable shall be the
12 percentage at which it was assessed on January 1, 1996, in
13 accordance with the provisions of paragraph 3 of subsection A of
14 Section 8 of Article X of the Oklahoma Constitution, and, subject to
15 the requirements of federal law, shall be uniformly applied to
16 calculate the taxable values of public service corporation property
17 within the state for the applicable assessment year.

18 E. The State Board of Equalization shall assess the property
19 used to provide wired broadband service that is constructed or
20 installed and placed in service after the effective date of this
21 act, in an area where the coverage for wired internet at speeds in
22 excess of one hundred megabits per second (100 Mbps) for download
23 and twenty megabits per second (20 Mbps) for upload is equal to or
24 less than fifty percent (50%) according to the most recent FCC

1 National Broadband Map published by the Federal Communications
2 Commission at the time the property is constructed or installed and
3 placed in service, of that subclass of public service corporations
4 known as broadband service providers, as defined in Section 2808 of
5 this title, at a ratio of fifteen percent (15%) for the year 2025
6 and subsequent years. Provided, the property assessed pursuant to
7 this subsection shall only include property exclusively used to
8 provide broadband internet service to areas meeting the coverage
9 requirements as provided in this subsection including fiber, cable,
10 transmission lines, fiber support infrastructure, cable support
11 infrastructure, transmission line support infrastructure, network
12 infrastructure, and facilities used to contain network
13 infrastructure. The valuation of all assets shall be calculated on
14 a net book basis to each assessment rate as provided in this
15 subsection and subsection D of this section. The Oklahoma Tax
16 Commission may promulgate rules to effectuate the provisions of this
17 subsection.

18 SECTION 3. This act shall become effective January 1, 2025.

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20 59-2-3777 QD 4/24/2024 12:42:57 PM

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