

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 HOUSE BILL 2776

By: Sims of the House

4 and

5 Rader of the Senate

6
7 AS INTRODUCED

8 An Act relating to counties and county officers;
9 creating the Oklahoma Hazard Mitigation Assessment
10 District Act; permitting counties to initiate
11 creation of hazard mitigation assessment districts;
12 directing resolution be submitted to the registered
13 voters of the county; conferring powers; describing
14 territory of a hazard mitigation assessment district;
15 providing for management and budgetary oversight;
16 developing administrative policies and procedures;
17 requiring county to pay for election; providing for
18 notice of election; stating question to be placed on
19 ballot; describing eligible voters; providing for
20 conduct of election subject to general or special
21 election laws; declaring establishment of district
22 upon majority vote; authorizing creation of certain
23 advisory board; providing for levy of annual
24 assessment on certain property based on assessed
value and specifying purposes thereof; eliminating
assessment automatically after certain time;
prohibiting assessment to be used in exchange for
appropriations; providing minimum amount of
assessment be used for certain purpose in certain
rural counties; providing for a lien against property
if assessment is unpaid; stating priority of lien;
directing specified accounting procedures by certain
county officers; directing certain costs be paid from
the proceeds of the district; requiring interest to
be charged on delinquent assessment; permitting
dissolution of a hazard mitigation assessment
district upon certain majority vote; authorizing
certain cooperative agreements with tribal entities;
requiring certain quarterly reports; amending 68 O.S.
2011, Section 2915, which relates to statement to

1 taxpayers; adding information to be included on
2 certain statement; providing for codification;
3 providing an effective date; and declaring an
4 emergency.

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

5 SECTION 1. NEW LAW A new section of law to be codified
6 in the Oklahoma Statutes as Section 501.1 of Title 19, unless there
7 is created a duplication in numbering, reads as follows:

8 This act shall be known and may be cited as the "Oklahoma Hazard
9 Mitigation Assessment District Act".

10 SECTION 2. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 501.2 of Title 19, unless there
12 is created a duplication in numbering, reads as follows:

13 The governing body of a county may initiate the creation of a
14 hazard mitigation assessment district by the adoption of a
15 resolution calling for the question to be placed before the
16 registered voters of the county of whether to organize a hazard
17 mitigation assessment district. The resolution shall be submitted
18 to registered voters of the county at a countywide special or
19 general election. When a district is organized, it shall have the
20 powers conferred by the Oklahoma Hazard Mitigation Assessment
21 District Act.

22 SECTION 3. NEW LAW A new section of law to be codified
23 in the Oklahoma Statutes as Section 501.3 of Title 19, unless there
24 is created a duplication in numbering, reads as follows:

1 A. A hazard mitigation assessment district shall include all
2 territory located within the county.

3 B. Operational management of the hazard mitigation assessment
4 district as it pertains to the approval of any capital improvements
5 constructed and any short-term and long-term capital acquisitions
6 and other expenditures as provided in paragraphs 1 through 13 of
7 subsection A of Section 7 of this act shall be vested within the
8 existing administration of the county government that created the
9 district.

10 C. Budgetary oversight and the development of the necessary
11 administrative policies and procedures shall be vested within the
12 existing governing body of the county government that created the
13 district.

14 SECTION 4. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 501.4 of Title 19, unless there
16 is created a duplication in numbering, reads as follows:

17 A. The costs of an election to establish a hazard mitigation
18 assessment district shall be paid by the county as determined by the
19 county election board conducting the countywide special or general
20 election.

21 B. The election to determine whether a district shall be
22 established, and the notice thereof, shall be conducted in the same
23 manner as other county questions which are submitted to the
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1 electorate of the county. The notice shall require the registered
2 voters of the county to cast ballots which contain the words:

- 3 1. "Hazard Mitigation Assessment District - Yes"; and
 - 4 2. "Hazard Mitigation Assessment District - No",
- 5 or words equivalent thereto. All residents of the county who are
6 qualified electors shall be qualified to vote on the proposition.

7 The hazard mitigation assessment district election shall be
8 conducted in accordance with the general or special election laws of
9 the state, and the regular election officials shall be in charge at
10 the usual polling place of each regular precinct, or part of a
11 precinct, which shall include lands within the boundaries of the
12 county.

13 SECTION 5. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 501.5 of Title 19, unless there
15 is created a duplication in numbering, reads as follows:

16 If the certified election results show that a majority of all
17 the votes cast are "Hazard Mitigation Assessment District - Yes",
18 the governing body of the county shall, by adoption of a resolution,
19 declare the hazard mitigation assessment district established. Any
20 resolution establishing a hazard mitigation assessment district
21 shall be filed in the office of the county clerk in the county where
22 the election was held.

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1 SECTION 6. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 501.6 of Title 19, unless there
3 is created a duplication in numbering, reads as follows:

4 The governing body of the county may establish a Hazard
5 Mitigation Advisory Board composed of citizens from the
6 municipalities and unincorporated areas of the county to advise the
7 county governing body on hazard mitigation and disaster recovery
8 planning and projects. The governing body of the county shall
9 appoint the Hazard Mitigation Advisory Board members for either one-
10 or two-year terms.

11 SECTION 7. NEW LAW A new section of law to be codified
12 in the Oklahoma Statutes as Section 501.7 of Title 19, unless there
13 is created a duplication in numbering, reads as follows:

14 A. There shall be levied an annual assessment no greater than
15 two (2) mills on the dollar of assessed value of the types of
16 property in the district as provided in paragraphs 1, 2 and 3 of
17 subsection A of Section 2803 of Title 68 of the Oklahoma Statutes.
18 Government-owned properties shall be exempt from the annual
19 assessment. Properties located within a tax increment financing
20 district shall be subject to the assessment. The proceeds of the
21 assessments shall be used for the short-term and long-term capital
22 acquisitions and capital improvements of the hazard mitigation
23 assessment district, as well as expenses related to any of the
24 following, or combination of the following, purposes:

- 1 1. Planning, designing, installing, constructing, operating and
2 maintaining hazard mitigation capital improvements;
- 3 2. Creating a fund balance equal to ten percent (10%) of the
4 amount of assessment collected annually to be used by the county
5 where the district is located or any municipality located within the
6 district for matching any funding requirements by the state or
7 federal government in order to qualify and to receive state or
8 federal government disaster relief funds;
- 9 3. Purchasing and maintaining equipment and vehicles required
10 to implement projects in a FEMA-approved hazard mitigation plan;
- 11 4. Providing funds in support of efforts to acquire and
12 demolish or relocate, if technically feasible, or elevate structures
13 located in areas prone to flooding, including expenses to ensure
14 that people whose real property is acquired using federal funds, or
15 who move as a result of projects receiving funds, will be treated
16 fairly and equitably, pursuant to the Uniform Relocation Assistance
17 and Real Property Acquisition Policies Act of 1970, Sections 4601-
18 4655 of Title 42 of the United States Code, and receive assistance
19 in moving from the property they occupy;
- 20 5. Providing funding for public health conditions caused by or
21 as a result of a hazardous event in counties with a population under
22 six hundred thousand (600,000) according to the latest Federal
23 Decennial Census;

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1 6. Funding for studies, evaluations, consulting services and
2 professional services related directly or indirectly to purposes in
3 paragraphs 1 through 5 of this subsection;

4 7. Providing and receiving hazard mitigation training;

5 8. Providing administrative costs not to exceed five percent
6 (5%) of the total amount of assessment collected annually for the
7 administration of the hazard mitigation plan;

8 9. Providing for costs incurred by the county for including
9 hazard mitigation assessment information in the tax statement as
10 provided in subsection B of Section 2915 of Title 68 of the Oklahoma
11 Statutes;

12 10. Providing any funds required as a deductible on the
13 municipal and county property insurance policies that cover any
14 property, buildings, facilities, equipment, vehicles and/or
15 materials located within the district damaged and/or destroyed as a
16 result of the hazard. For purposes of this section, "hazard" shall
17 mean a condition with the potential threat of loss or harm to
18 humans, the community or environment that is naturally occurring or
19 a human-induced process or event with potentially great risk or
20 danger;

21 11. Providing for any required matching funds in order to
22 receive hazard mitigation grants from the state or federal
23 government;

1 12. Providing funding to public authorities and trusts which
2 are responsible for the management, operation, construction,
3 maintenance and preservation of public property; and

4 13. Providing funds for any cleanup, demolition, debris removal
5 and hazardous material removal following any hazard.

6 B. The establishment of the hazard mitigation annual assessment
7 shall terminate five (5) years after the passage by the voters of
8 the county unless renewed by the voters of the county.

9 SECTION 8. NEW LAW A new section of law to be codified
10 in the Oklahoma Statutes as Section 501.8 of Title 19, unless there
11 is created a duplication in numbering, reads as follows:

12 No portion of annual assessment shall be used to supplant or be
13 used in exchange for any current appropriations dedicated for and
14 expended for hazard mitigation or disaster recovery expenditures.
15 The annual assessment shall only be used in addition to or to
16 supplement current appropriations and expenditures for hazard
17 mitigation or disaster recovery.

18 SECTION 9. NEW LAW A new section of law to be codified
19 in the Oklahoma Statutes as Section 501.9 of Title 19, unless there
20 is created a duplication in numbering, reads as follows:

21 In counties determined by the most recent Federal Decennial
22 Census to be completely or mostly rural, no less than forty percent
23 (40%) of the annual assessment collected in the county shall be used
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1 for mitigation improvements, disaster recovery or both mitigation
2 improvements and disaster recovery impacting agricultural property.

3 SECTION 10. NEW LAW A new section of law to be codified
4 in the Oklahoma Statutes as Section 501.10 of Title 19, unless there
5 is created a duplication in numbering, reads as follows:

6 Every assessment levied under the authority of the Oklahoma
7 Hazard Mitigation Assessment District Act shall be a lien against
8 the tract of land on which it has been levied, until paid, and the
9 lien shall be coequal with the lien of ad valorem and other taxes,
10 including special assessments, and prior and superior to all other
11 liens, and the assessment shall draw interest and shall be collected
12 in the same manner as ad valorem taxes.

13 SECTION 11. NEW LAW A new section of law to be codified
14 in the Oklahoma Statutes as Section 501.11 of Title 19, unless there
15 is created a duplication in numbering, reads as follows:

16 The county assessor shall compute and enter, in respective
17 columns of the tax rolls, the respective sums in dollars and cents
18 to be paid on each piece of property therein enumerated. The county
19 clerk shall certify to the county treasurer in the county where the
20 district, or any part thereof, is located the amount of assessment
21 in each fund levied upon each tract. The county treasurer shall
22 enter the amount of each in separate columns of the tax list of the
23 county. The assessments shall be collected by the county treasurer
24 at the same time and in the same manner as all other taxes are

1 collected in this state. Costs associated with the collection of
2 the assessments incurred by the county treasurer shall be paid from
3 the proceeds of the district. If any assessment becomes delinquent,
4 it shall draw interest as a penalty after delinquency at the rate of
5 eighteen percent (18%) per annum. All assessments and penalties
6 collected or received from the Oklahoma Hazard Mitigation Assessment
7 District Act shall be paid to the county treasurer.

8 SECTION 12. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 501.12 of Title 19, unless there
10 is created a duplication in numbering, reads as follows:

11 A hazard mitigation assessment district may be dissolved by a
12 majority vote of the registered voters at an election called for
13 that purpose by the governing body of the county.

14 SECTION 13. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 501.13 of Title 19, unless there
16 is created a duplication in numbering, reads as follows:

17 The governing body of the county is authorized to negotiate and
18 enter into intergovernmental cooperative agreements on behalf of the
19 district with a federally recognized Indian tribal government within
20 this state, owner of restricted property, beneficiaries of trust
21 property and the federal Bureau of Indian Affairs to address
22 payments in lieu of assessments and other issues of mutual interest.

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1 SECTION 14. NEW LAW A new section of law to be codified
2 in the Oklahoma Statutes as Section 501.14 of Title 19, unless there
3 is created a duplication in numbering, reads as follows:

4 The governing body of the county shall prepare, present and file
5 quarterly reports on the activities of the hazard mitigation
6 assessment district. The reports shall include, but shall not be
7 limited to, the current receipts, the current expenditures and the
8 projects funded, the projects to be funded in the next quarter, any
9 reports and recommendations received from the Hazard Mitigation
10 Advisory Board, and any other information regarding the activities
11 and actions taken.

12 SECTION 15. AMENDATORY 68 O.S. 2011, Section 2915, is
13 amended to read as follows:

14 Section 2915. A. It shall be the duty of every person subject
15 to taxation under the Ad Valorem Tax Code, Section 2801 et seq. of
16 this title, to attend the treasurer's office and pay taxes, and if
17 any person neglects to attend and pay taxes until after they have
18 become delinquent, the treasurer shall collect the same in the
19 manner provided by law. If any person owing taxes, removes from one
20 county to another in this state, the county treasurer shall forward
21 the tax claim to the treasurer of the county to which the person has
22 removed, and the taxes shall be collected by the county treasurer of
23 the latter place as other taxes and returned to the proper county,
24 less legal charges. The county treasurer may visit, in person or by

1 deputy, places other than the county seat for the purpose of
2 receiving taxes. Nothing herein shall be so construed as to prevent
3 an agent of any person subject to taxation from paying the taxes.

4 B. The county treasurer of each county shall, within thirty
5 (30) days after the tax rolls have been completed and delivered to
6 the office of the county treasurer by the county assessor, mail to
7 each taxpayer at the taxpayer's last-known address a statement
8 showing separately the amount of all ad valorem taxes assessed
9 against the taxpayer's real and personal property for the current
10 year ~~and~~, all delinquent taxes remaining unpaid thereon for previous
11 years and, if applicable, any assessments levied on properties
12 within a hazard mitigation assessment district pursuant to Section 7
13 of this act. At the county treasurer's option, in lieu of regular
14 mailing, the treasurer may instead send the tax statement to the
15 taxpayer by electronic mail provided the taxpayer has submitted a
16 written request to receive such statements by electronic mail
17 instead of by regular mail. It is expressly provided, however, that
18 failure of any taxpayer to receive such statement, or failure of the
19 treasurer to so mail the same, shall not in any way extend the date
20 by which such taxes or assessments shall be due and payable nor
21 relieve the taxpayer or property owner of the duty and
22 responsibility of paying same as provided by law.

23 C. The statement required by this section shall contain an
24 explanation of how the ad valorem tax bill is calculated using

1 language so that a person of common understanding would know what is
2 intended. The statement shall also contain an explanation of the
3 manner in which ad valorem taxes are apportioned between the county,
4 school district or other jurisdiction levying ad valorem taxes and
5 shall identify the apportionment of the taxes for the current year
6 on the subject property. The State Auditor and Inspector shall
7 promulgate rules necessary to implement the provisions of this
8 subsection.

9 D. It shall be the mandatory duty of the county treasurer to
10 request an appropriation for necessary postage and expense to defray
11 the cost of furnishing taxpayers the statement herein provided and
12 it shall be the mandatory duty of the board of county commissioners
13 and the county excise board to make such appropriation.

14 SECTION 16. This act shall become effective July 1, 2020.

15 SECTION 17. It being immediately necessary for the preservation
16 of the public peace, health or safety, an emergency is hereby
17 declared to exist, by reason whereof this act shall take effect and
18 be in full force from and after its passage and approval.

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