

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 1921

6 By: Sims

7 COMMITTEE SUBSTITUTE

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 creating Hazard Mitigation District Trust Authority;  
16 providing for management and budgetary oversight;  
17 developing administrative policies and procedures;  
18 requiring county to pay for election; providing for  
19 notice of election; stating question to be placed on  
20 ballot; describing eligible voters; providing for  
21 conduct of election subject to general or special  
22 election laws; declaring establishment of district  
23 upon majority vote; authorizing creation of certain  
24 advisory board; providing for levy of annual  
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 exception; 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

1 quarterly reports; amending 68 O.S. 2021, Section  
2 2915, which relates to statement to taxpayers; adding  
3 information to be included on certain statement;  
4 providing for codification; providing an effective  
5 date; and declaring an emergency.

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

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

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

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

15 The governing body of a county may initiate the creation of a  
16 hazard mitigation assessment district by the adoption of a  
17 resolution calling for the question to be placed before the  
18 registered voters of the county of whether to organize a hazard  
19 mitigation assessment district. The resolution shall be submitted  
20 to registered voters of the county at a countywide special or  
21 general election. When a district is organized, it shall have the  
22 powers conferred by the Oklahoma Hazard Mitigation Assessment  
23 District Act.  
24

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

4           A. A hazard mitigation assessment district shall include all  
5 territory located within the county.

6           B. To administer the hazard mitigation assessment district, a  
7 Hazard Mitigation District Trust Authority shall be created to be  
8 responsible for the administration, determination of projects and  
9 programs to be funded, to create, amend and oversee the budget and  
10 to approve the expenditures of the collected assessment. The  
11 Authority shall have seven (7) trustees which shall include the  
12 three members of the board of county commissioners, the mayor or  
13 other elected officials from three municipalities within the county  
14 selected by the board of county commissioners and one member at-  
15 large selected by the board of county commissioners. Operational  
16 management of the hazard mitigation assessment district as it  
17 pertains to the approval of any capital improvements constructed and  
18 any short-term and long-term capital acquisitions and other  
19 expenditures as provided in paragraphs 1 through 13 of subsection C  
20 of Section 6 of this act shall be vested within the Hazard  
21 Mitigation Trust Authority.

22           C. Budgetary oversight, prioritization of capital and  
23 noncapital projects funded and the development of the necessary  
24

1 administrative policies and procedures shall be vested within the  
2 Hazard Mitigation District Trust Authority.

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

6 A. The costs of an election to establish a hazard mitigation  
7 assessment district shall be paid by the county as determined by the  
8 county election board conducting the countywide special or general  
9 election.

10 B. The election to determine whether a district shall be  
11 established, and the notice thereof, shall be conducted in the same  
12 manner as other county questions which are submitted to the  
13 electorate of the county. The notice shall require the registered  
14 voters of the county to cast ballots which contain the words:

15 1. "Hazard Mitigation Assessment District - Yes"; and

16 2. "Hazard Mitigation Assessment District - No",

17 or words equivalent thereto. All residents of the county who are  
18 qualified electors shall be qualified to vote on the proposition.

19 The hazard mitigation assessment district election shall be  
20 conducted in accordance with the general or special election laws of  
21 the state, and the regular election officials shall be in charge at  
22 the usual polling place of each regular precinct, or part of a  
23 precinct, which shall include lands within the boundaries of the  
24 county.

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

4 If the certified election results show that greater than sixty  
5 percent (60%) of all the votes cast are "Hazard Mitigation  
6 Assessment District - Yes", the governing body of the county shall,  
7 by adoption of a resolution, declare the hazard mitigation  
8 assessment district established. Any resolution establishing a  
9 hazard mitigation assessment district shall be filed in the office  
10 of the county clerk in the county where the election was held.

11 SECTION 6. NEW LAW A new section of law to be codified  
12 in the Oklahoma Statutes as Section 501.6 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 B. The annual assessment provided in subsection A of this  
19 section shall not apply to real property assessed for agricultural  
20 land use, livestock utilized in support of the family and personal  
21 property owned by for-profit agricultural business entities. A  
22 property that is exempt from the assessment at the time when the  
23 voters approve the assessment shall remain exempt even if the  
24 property is reassessed to a nonexempt category at a later time.

1 Government-owned and nonprofit properties shall be exempt from the  
2 annual assessment. Properties located within a tax increment  
3 financing district shall be subject to the assessment.

4 C. The proceeds of the assessments shall be used for the short-  
5 term and long-term capital acquisitions and capital improvements of  
6 the hazard mitigation assessment district, as well as expenses  
7 related to any of the following, or combination of the following,  
8 purposes:

9 1. Planning, designing, installing, constructing, operating,  
10 and maintaining hazard mitigation capital improvements;

11 2. Creating a fund balance equal to ten percent (10%) of the  
12 amount of assessment collected annually to be used by the county  
13 where the district is located or any municipality located within the  
14 district for matching any funding requirements by the state or  
15 federal government in order to qualify and to receive state or  
16 federal government disaster relief funds;

17 3. Purchasing and maintaining equipment and vehicles required  
18 to implement projects in an approved Federal Emergency Management  
19 Agency hazard mitigation plan;

20 4. Providing funds in support of efforts to acquire and  
21 demolish or relocate, if technically feasible, or elevate structures  
22 located in areas prone to flooding, including expenses to ensure  
23 that people whose real property is acquired using federal funds, or  
24 who move as a result of projects receiving funds, will be treated

1 fairly and equitably, pursuant to the Uniform Relocation Assistance  
2 and Real Property Acquisition Policies Act of 1970, Sections 4601  
3 through 4655 of Title 42 of the United States Code, and receive  
4 assistance in moving from the property they occupy;

5 5. Providing funding to county health departments for the  
6 creation of and implementation of public health hazard mitigation  
7 plans;

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

11 7. Providing and receiving hazard mitigation training;

12 8. Providing administrative costs not to exceed five percent  
13 (5%) of the total amount of assessment collected annually for the  
14 administration of the hazard mitigation plan;

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

19 10. Providing any funds required as a deductible on the  
20 municipal and county property insurance policies that cover any  
21 property, buildings, facilities, equipment, vehicles, and materials  
22 located within the district damaged or destroyed as a result of the  
23 hazard for which an insurance claim is filed. For purposes of this  
24 section, "hazard" shall mean a condition with the potential threat

1 or actual loss or harm to humans, property, the community or  
2 environment that is naturally occurring or a human-induced disaster  
3 or event which poses or results in great risk or danger or damage;

4 11. Providing for any required matching funds in order to  
5 receive hazard mitigation grants from the state or federal  
6 government or any private sector or nonprofit organization provided  
7 grant funds;

8 12. Providing hazard mitigation and disaster-recovery funding  
9 to public authorities and trusts which are responsible for the  
10 management, operation, construction, maintenance, and preservation  
11 of public property; and

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

14 D. The establishment of the hazard mitigation annual assessment  
15 shall terminate five (5) years after the passage by the voters of  
16 the county unless renewed by the voters of the county.

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

20 No portion of the annual assessment shall be used to supplant or  
21 be used in exchange for any current appropriations dedicated for and  
22 expended for hazard mitigation or disaster recovery expenditures.  
23 The annual assessment shall only be used in addition to or to  
24 supplement current appropriations and expenditures for hazard



1 mitigation or disaster recovery. The prohibition provided in this  
2 section shall not apply to federal Community Development Block Grant  
3 (CDBG) funding which a county or municipality is using for hazard  
4 mitigation or disaster recovery. In those cases, the annual  
5 assessment shall be used to replace any CDBG funding which has been  
6 directed towards hazard mitigation, disaster recovery expenditures  
7 or both hazard mitigation and disaster recovery expenditures.

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

11 In counties determined by the most recent Federal Decennial  
12 Census to be completely or mostly rural, no less than forty percent  
13 (40%) of the annual assessment collected in the county shall be used  
14 for mitigation improvements, disaster recovery or both mitigation  
15 improvements and disaster recovery impacting agricultural property.

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

19 Every assessment levied under the authority of the Oklahoma  
20 Hazard Mitigation Assessment District Act shall be a lien against  
21 the tract of land on which it has been levied, until paid, and the  
22 lien shall be coequal with the lien of ad valorem and other taxes,  
23 including special assessments, and prior and superior to all other  
24 liens, and the assessment shall draw interest and shall be collected

1 in the same manner as ad valorem taxes.

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

5 The county assessor shall compute and enter, in respective  
6 columns of the tax rolls, the respective sums in dollars and cents  
7 to be paid on each piece of property therein enumerated. The county  
8 clerk shall certify to the county treasurer in the county where the  
9 district, or any part thereof, is located the amount of assessment  
10 in each fund levied upon each tract. The county treasurer shall  
11 enter the amount of each in separate columns of the tax list of the  
12 county. The assessments shall be collected by the county treasurer  
13 at the same time and in the same manner as all other taxes are  
14 collected in this state. Costs associated with the collection of  
15 the assessments incurred by the county treasurer shall be paid from  
16 the proceeds of the district. If any assessment becomes delinquent,  
17 it shall draw interest as a penalty after delinquency at the rate of  
18 eighteen percent (18%) per annum. All assessments and penalties  
19 collected or received from the Oklahoma Hazard Mitigation Assessment  
20 District Act shall be paid to the county treasurer.

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

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

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

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

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

16 The governing body of the county shall prepare, present, and  
17 file quarterly reports on the activities of the hazard mitigation  
18 assessment district. The reports shall include, but shall not be  
19 limited to, the current receipts, the current expenditures and the  
20 projects funded, the projects to be funded in the next quarter, and  
21 any other information regarding the activities and actions taken.

22 SECTION 14. AMENDATORY 68 O.S. 2021, Section 2915, is  
23 amended to read as follows:

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1 Section 2915. A. It shall be the duty of every person subject  
2 to taxation under the Ad Valorem Tax Code, Section 2801 et seq. of  
3 this title, to attend the treasurer's office and pay taxes, and if  
4 any person neglects to attend and pay taxes until after they have  
5 become delinquent, the treasurer shall collect the same in the  
6 manner provided by law. If any person owing taxes, removes from one  
7 county to another in this state, the county treasurer shall forward  
8 the tax claim to the treasurer of the county to which the person has  
9 removed, and the taxes shall be collected by the county treasurer of  
10 the latter place as other taxes and returned to the proper county,  
11 less legal charges. The county treasurer may visit, in person or by  
12 deputy, places other than the county seat for the purpose of  
13 receiving taxes. Nothing herein shall be so construed as to prevent  
14 an agent of any person subject to taxation from paying the taxes.

15 B. The county treasurer of each county shall, within thirty  
16 (30) days after the tax rolls have been completed and delivered to  
17 the office of the county treasurer by the county assessor, mail to  
18 each taxpayer at the taxpayer's last-known address a statement  
19 showing separately the amount of all ad valorem taxes assessed  
20 against the taxpayer's real and personal property for the current  
21 year ~~and~~, all delinquent taxes remaining unpaid thereon for previous  
22 years and, if applicable, any assessments levied on properties  
23 within a hazard mitigation assessment district pursuant to Section 6  
24 of this act. At the county treasurer's option, in lieu of regular

1 mailing, the treasurer may instead send the tax statement to the  
2 taxpayer by electronic mail provided the taxpayer has submitted a  
3 written request to receive such statements by electronic mail  
4 instead of by regular mail. It is expressly provided, however, that  
5 failure of any taxpayer to receive such statement, or failure of the  
6 treasurer to so mail the same, shall not in any way extend the date  
7 by which such taxes or assessments shall be due and payable nor  
8 relieve the taxpayer or property owner of the duty and  
9 responsibility of paying same as provided by law.

10 C. The statement required by this section shall contain an  
11 explanation of how the ad valorem tax bill is calculated using  
12 language so that a person of common understanding would know what is  
13 intended. The statement shall also contain an explanation of the  
14 manner in which ad valorem taxes are apportioned between the county,  
15 school district or other jurisdiction levying ad valorem taxes and  
16 shall identify the apportionment of the taxes for the current year  
17 on the subject property. The State Auditor and Inspector shall  
18 promulgate rules necessary to implement the provisions of this  
19 subsection.

20 D. It shall be the mandatory duty of the county treasurer to  
21 request an appropriation for necessary postage and expense to defray  
22 the cost of furnishing taxpayers the statement herein provided and  
23 it shall be the mandatory duty of the board of county commissioners  
24 and the county excise board to make such appropriation.

1 SECTION 15. This act shall become effective July 1, 2023.

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

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