

**RESOLUTION**

**A RESOLUTION ADOPTING CERTAIN STATE LEGISLATIVE ISSUES AS THE CITY OF OKLAHOMA CITY'S "2020 STATE LEGISLATIVE PROGRAM"; REAFFIRMING PROCEDURES TO DEAL WITH OTHER STATE LEGISLATIVE ISSUES**

**WHEREAS**, the Council Legislative Committee met in a public meeting on October 29, 2019, to consider possible State legislative issues for the upcoming 2020 Session of the Oklahoma Legislature; and

**WHEREAS**, following consideration of said issues on October 29, 2019, the Legislative Committee made certain recommendations concerning which proposed issues should constitute The City's "2020 State Legislative Program" for the 2020 Session of the Oklahoma Legislature; and

**WHEREAS**, brief descriptions of said issues are attached hereto as Attachment "A"; and

**WHEREAS**, the Council Legislative Committee respectfully submits the said issues to Council with a recommendation that they be adopted as The City's "2020 State Legislative Program" for the 2020 Session of the Oklahoma Legislature.

**NOW, THEREFORE, BE IT RESOLVED** by the Council that the State legislative issues attached hereto as Attachment "A" are hereby adopted as The City's "2020 State Legislative Program" for the 2020 Session of the Oklahoma Legislature.

**AND BE IT FURTHER RESOLVED** that other City-related State legislative issues arising during the 2020 Session of the Oklahoma Legislature shall be dealt with under the procedures set forth in the professional services contract made by The C. Taylor Group d/b/a The Taylor Group and The City of Oklahoma City, a municipal corporation, for professional legislative consultant services at the State level.

**ADOPTED** by the Council of The City of Oklahoma City and **SIGNED** by the Mayor this  
day of \_\_\_\_\_, 2019.

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

\_\_\_\_\_  
**MAYOR**

**REVIEWED** as to form and legality.



\_\_\_\_\_  
**ASSISTANT MUNICIPAL COUNSELOR**

## **The City of Oklahoma City 2020 Proposed State Legislative Issues**

### **Priority Issues:**

1. Maintain local control over local issues.
2. Transit Funding: Increase funding levels for ODOT Public Transportation Revolving Fund – have been stagnant since 2006
3. Preserve funding for the Heartland Flyer rail service.
4. Preserve the existing sales tax base and encourage efforts to diversify revenue for municipalities.

### **Initiative Issues:**

1. Enabling Legislation for Public Safety Districts within municipal city limits to fund public safety operations.
2. Clarify the statute in Title 60 governing public trusts to make it consistent with the competitive bidding act.
3. Address law enforcement issues in Title 21
  - a. Close loophole for conviction of municipal drug possession.
  - b. Clarify law related to consumption of intoxicating substances.
  - c. Support efforts to allow municipalities to set policies for large public festivals and events in city-owned parks.
4. Clean up provisions regarding property returns, transfers and destruction orders.
5. Enable COTPA/EMBARK to license CDL drivers.
6. Allow streetcar operator to tow vehicles blocking the streetcar rails.
7. Preserve municipal ability to regulate residential building design standards.
8. Clarify rules for metal recyclers to improve compliance and deter metal theft.

### **Support/Oppose Issues:**

1. Support the Oklahoma Tax Commission's efforts to enforce existing sales tax exemptions, especially the largest dollar value categories.
2. Support retaining tools for economic development, such as Tax Increment Financing, successful tax credits and quality jobs.
3. Support efforts to increase the apportionment to the Healthy Food Financing Act in order to address food insecurity in food desert census tracts.
4. Support efforts to increase resources allocated to cities and towns for infrastructure.
5. Preserve municipalities' ability to address derelict properties and enforce municipal codes and zoning.
6. Support efforts to allow net metering for utility customers to receive credits for solar and wind energy systems.
7. Support criminal justice reform efforts.

**State Issues to Monitor:**

1. Monitor water rights and supply issues, treated wastewater reuse proposals, legislation impacting ODEQ rules, regulations, or general control.
2. Monitor any efforts to limit dates for local elections.
3. Monitor state fee structure and any impacts on municipal operations.
4. Monitor medical marijuana implementation and potential impact on municipal operations.
5. Monitor issues related to competitive bidding and construction contracting.

## Priority Issues:

### 1. Maintain local control over local issues.

Cities and towns in Oklahoma have situations and policy issues that are best addressed at the local level. Each year the legislature considers bills to address issues specific to one or two communities in the state. The resulting legislation often has the unintended consequence of taking authority away from local elected officials to govern their jurisdictions.

This loss of local control significantly impacts the state's two largest cities, Oklahoma City with a population of about 650,000 and Tulsa with 400,000 people. The Oklahoma City metro has roughly 1.4 million people and the Tulsa metro has nearly a million people. In a state with a total population of 3.9 million, this is a significant share of our state's citizens. Both cities face issues that affect large urbanized areas that may not be applicable to smaller communities.

### 2. Transit Funding: Maintain funding levels for ODOT Public Transportation Revolving Fund

The appropriations to the ODOT Public Transportation Revolving Fund have remained stagnant at \$5.75 million annually since 2006, ranking Oklahoma 35<sup>th</sup> in the nation for transit investment per capita. Demands for enhanced Public Transportation from residents of Oklahoma City continue to grow as evidenced by increases in public transportation ridership, voter approval to fund a modern streetcar and citizen survey results indicating public transportation should be one of the top City services to receive emphasis in the coming year. Revenues from the ODOT Public Transportation Revolving Fund have not changed while the cost to provide service (labor, fuel, repair parts, emission requirements) has increased.

### 3. Preserve funding for the Heartland Flyer rail service.

Passenger rail service has been in place from Oklahoma City to Fort Worth via the Amtrak Heartland Flyer since 1999. Prior to that, passenger rail had been absent from Oklahoma for 20 years. The Heartland Flyer is state-sponsored by Oklahoma and Texas. This important passenger rail link between Oklahoma City and the Dallas/Fort Worth metroplex is currently the only passenger rail service in Oklahoma. It was a key component in the City's efforts to secure a \$13.6 million federal transportation TIGER grant in 2013 as part of a \$28 million renovation of the multimodal transportation hub at the Santa Fe Depot.

The Heartland Flyer starts in Oklahoma City and then makes station stops in Norman, Purcell, Pauls Valley and Ardmore before stopping in Gainesville, Texas and then Fort Worth. Ridership has continued to grow over the years, with roughly 81,000 passengers per year.

Proposals to expand service to Kansas and to Tulsa are both part of the overall passenger rail conversation. Passenger and commuter rail service in the metropolitan area is also part of ACOG's regional long-range transportation plan. It is important to both keep the service that is currently in place and contemplate options for additional passenger rail service in the future.

**4. Preserve the existing sales tax base and encourage efforts to diversify revenue for municipalities.**

Sales tax is a vital revenue source for Oklahoma municipal governments. Any erosion of this important resource, such as additional sales tax holidays or a grocery exemption, would have a considerable impact on City services. For example, a sales tax exemption for groceries would cost Oklahoma City at least \$35 million in sales tax revenue annually. This translates into funding for about 375 police officer or firefighter positions. Cities are expected to provide these services and cannot afford to lose this funding.

When the sales tax holiday for back to school clothing was implemented, the statute included a provision to reimburse cities and towns for lost revenue. In addition, for smaller non-profit groups that desire a sales tax exemption, those issues have been handled as a sales tax rebate through the Oklahoma Tax Commission rather than through an exemption at the point of sale. Either model helps to keep cities and towns' primary revenue source whole and limits fraudulent use of exemptions at the point of sale.

**Initiative Issues:**

**1. Enact enabling legislation for Public Safety Districts within municipal city limits to fund public safety operations.**

Cities and towns in Oklahoma cannot use ad valorem taxes for operations. However, public safety capability is directly tied to the value of property. Legislation is needed to enable local voters to hold an election to create a public safety district. The district would be funded with an ad valorem assessment to fund police, fire, emergency medical services and to house inmates.

Expenditures from these funds would be limited to public safety-related items such as the purchase and maintenance of equipment and could include salaries and benefits for police and fire personnel. The entire city limits form the boundary for the district and the district would be administered by the municipal governing body.

2. Clarify the statute in Title 60 governing public trusts to make it consistent with the competitive bidding act.

There are conflicts with advertising and competitive bidding requirements for Public Trusts verses The Public Competitive Bidding Act (CBA). Statutory changes are needed to clarify that public trust construction projects are subject to the CBA and remove the conflict with the public trust statute. For example, the Airport Trust is required to bid out contracts for cleaning services and accept the lowest bid. Often, this leads to unacceptable service that must be re-bid with the same results over and over. It would make more sense for this type of service to be selected with a Request for Proposals process that could accept the lowest and best bidder.

3. Address law enforcement issues in Title 21.

- Close loophole for conviction of municipal drug possession.  
In current law, those who have been convicted of violating state law for drug possession are prohibited from carrying a firearm, but there is a loophole for municipal convictions.
- Clarify law related to consumption of intoxicating substances.  
Carrying a firearm is prohibited for those who are intoxicated, but this is not defined in the statute.
- Support efforts to allow municipalities to set policies for large public festivals and events in City parks.  
With the changes to Title 21 enacted in 2019, concerns have been raised with regard to open and concealed carry without a permit in city-owned parks, particularly when there are large events or festivals. Local officials are going to know whether weapons should be allowed at those events and should have the ability to set their own policies.

4. Clean up provisions regarding property returns, transfers and destruction orders.

The portion of Title 11 in the state statute has multiple contradictions regarding how and when lawfully confiscated property should be returned, transferred or destroyed. The proposed changes seek to make those provisions more consistent throughout the statute.

5. Enable COTPA/EMBARC to license CDL drivers.

The Oklahoma Department of Public Safety is understaffed in the area of Commercial Driver License (CDL) examiners. Statewide, CDL drivers are in short supply as both industry and municipalities need commercially licensed drivers. In the 2019 legislative session, a bill (SB 378) was introduced to address this problem by allowing public or private commercial truck driving schools to be third-party examiners of the Class A, B, or C driving skills portion of the Oklahoma driving examination.

The City's public transportation provider COTPA/EMBARC often recruits new bus drivers by assisting them with obtaining their permit, training them for the safe operation of the vehicle they will be driving and obtaining their CDL license. Because of the limited availability of CDL examiners statewide, scheduling tests can be inefficient and there is a continuous backlog.

A solution would be to allow public transit agencies that maintain a program for instructing students to hire designated examiners approved by the Department of Public Safety and issue CDL licenses to its drivers.

6. Allow streetcar operators to tow vehicles blocking the streetcar rails.

The OKC Streetcar project is 4.8 track miles. There are hundreds of parallel parking spaces adjacent the streetcar route. Providing efficient service for the OKC Streetcar requires that the streetcar system is not halted due to illegally parked automobiles.

The OKC streetcar system experiences over 50 blockages per month on average. The blockages prevent the OKC Streetcar from providing transportation service because a blockage stops all streetcars in the entire system. When the entire system is stopped there is the possibility that over 500 passengers at a time are impacted due to the illegally parked automobile of one individual.

Time is of the essence in removing illegally parked vehicles and the current system requiring an OKCPD officer to authorize a tow is inefficient and time consuming. Legislation is needed to allow a trained City employee or OKC Streetcar employee to request a tow without diverting the resources of the Police Department.

7. Preserve municipal ability to regulate residential building design standards.

Oklahoma City neighborhoods have sought to create historic districts and design districts throughout the city. The districts are created to preserve the architectural character of an area as well as preserve historic residential structures that are significant to both the city and the state. There is value in preserving that history and the authentic character of these areas.

Legislation that prohibits municipalities from regulating residential building design elements takes away one of the primary pieces of cities' ability to regulate land use. This is an issue of local control for communities throughout Oklahoma that seek to have housing that is both affordable and compatible with the community.

**Support/Oppose Issues:**

1. Support efforts to enforce existing sales tax exemptions, especially the largest dollar value categories.

Although there are 150 sales tax exemptions, the top 10 exemptions account for 99% of the total dollar amount. By targeting the largest categories and addressing fraudulent activity, significant amounts of revenue owed to taxing entities could be captured.

2. Support retaining tools for economic development, such as Tax Increment Financing, successful tax credits and quality jobs.

Economic development incentives should provide the state and cities with a benefit that out-weighs the cost to the public entity. The City supports increased scrutiny, transparency and openness in evaluating the effectiveness of the State's economic development incentives and the current process that is underway to do so.

Oklahoma City has dedicated significant resources to pursuing economic development opportunities and jobs for our residents. The incentive programs provided by the State work in concert with City-sponsored

programs to diversify the state's economy and provide high-paying jobs that are the foundation of our future.

3. Support efforts to increase the apportionment to the Healthy Food Financing Act in order to address food insecurity in food desert census tracts.

There are many residents of Oklahoma City that suffer from food insecurity, most notably in Northeast Oklahoma City with the closure of the area's only full-service grocery store earlier this year. Since 2017, Oklahoma has had the Healthy Food Financing Act in place to establish the Healthy Food Financing Revolving Fund. This resource, targeted specifically at addressing food insecurity and lack of access in identified food desert census tracts, could assist the City's efforts to expand healthy food availability in these areas.

Support for a larger appropriation to the Healthy Food Financing Revolving Fund could help communities and organizations, including the City of Oklahoma City, address food insecurity and lack of access to healthy food.

4. Support efforts to increase resources allocated to cities and towns for infrastructure.

Significant damage to municipally owned roads and bridges is occurring in areas used for drilling and industrial activity. However, the state does not allocate funding to cities and towns from the gross production tax. There is only an apportionment for counties. It makes sense to also include an apportionment for municipal infrastructure affected by this activity.

5. Preserve municipalities' ability to address derelict properties and enforce municipal codes and zoning.

Each year bills are filed to take away cities' ability to enforce property maintenance codes and zoning. These proposals are in direct conflict with the wishes of our citizens who want to preserve their neighborhoods and retain the value of their property. Land use regulation is fundamental to local control and best managed at the city level.

6. Support efforts to allow net metering for utility customers to receive credits for solar and wind energy systems.

Making net metering available to utility customers is being considered both by the Corporation Commission and the Legislature. Adopting an "all of the above" approach to sources of energy is expected to be beneficial to Oklahoma City and the state in the years to come. Oklahoma is in the unique

position of having existing natural resources that are conducive to fossil fuel, wind power and solar power. It makes sense to support the development of all of these resources.

**7. Support criminal justice reform efforts.**

Oklahoma City has been working on this issue for several years and has made several changes to its court administrative procedures. Some examples include increasing the frequency of indigent hearings and changing procedures for some of the fees associated with misdemeanor fines to benefit people that may need additional time to pay their fines. Various efforts have resulted in fewer people being housed in the county jail for municipal offenses. The City supports the statewide efforts to improve the criminal justice system in Oklahoma.

**State Issues to Monitor:**

**1. Monitor water rights and supply issues, treated wastewater reuse proposals, legislation impacting ODEQ rules, regulations, or general control.**

Oklahoma City has the largest municipal water utility in the state. It provides treated water to Oklahoma City residents and multiple communities in the state. Any changes in regulations and fees can have a significant impact on operations and our citizens.

**2. Monitor any efforts to limit dates for local elections.**

Available dates for local elections have been reduced in recent years, and the length of time for filing has been increased. As various efforts to reform and change election dates are pursued, the ability to hold local elections to fill vacant seats and garner attention to local issues is also important.

**3. Monitor state fee structure and any impacts on municipal operations and projects.**

Some city operations are required to submit pass-through fees to the state or pay outright fees for service. These fees must be monitored closely to avoid hampering City operations.

**4. Monitor medical marijuana implementation and potential impact on municipal operations.**

As the new regulations governing medical marijuana continue to be implemented over time, staff will continue to monitor any impacts on City operations or procedures.

5. **Monitor changes to competitive bidding and construction contracting.**  
Another area of the statute that has received much attention in recent years are the requirements under the Competitive Bidding Act and the various impact it can have on contractors, sub-contractors and others. As stewards of public funds and public trust, the City monitors these changes closely and advocates for retaining common-sense controls in this area.