Under circumstances like no other, the 2020 Oklahoma Legislative session came to a close without tackling many of the policy bills brought to the table before the COVID-19 pandemic began. The pandemic influenced nearly every major piece of legislation this session and we anticipate the state will feel its impact for years to come. In addition to a public health crisis, this session also saw budget battles between Governor Kevin Stitt’s office and the Legislature, contested debates over Medicaid expansion, and several legal cases that put Oklahoma in the national spotlight.

**BUDGET**

The Legislature overturned Gov. Stitt’s veto of the FY 2021 budget and it pushed it into law. The $7.7 billion budget plan includes a 4% cut for most state agencies. Education will see a 2.5% cut, though state officials say federal funding from the CARES Act will fill most of that gap.

- **FY 2021 STATE OF OKLAHOMA EXECUTIVE BUDGET**

**CORONAVIRUS-TARGETED LEGISLATION**

Two bills to protect businesses from Coronavirus-related lawsuits were signed into law by the Governor, effective May 21, 2020. SB 1946 provides immunity for civil liability for claims in state court relating to an employee’s alleged exposure to COVID-19, subject to some exceptions, so long as all state or federal guidance has been followed. SB 1947 creates the COVID-19 Product Protection Act. This provides immunity from civil liability actions resulting in injury, death or property damage caused by a qualified product provided by a person or entity that designs, manufactures, labels, sells, distributes, or donates a qualified product during and in response to the pandemic that is utilized by a government entity, health care facility, health care provider, first responder, or essential business.

**MEDICAID EXPANSION BILL VETOED**

The Governor’s plan to expand Medicaid in Oklahoma beginning in July died with his veto of SB 1046, the bill to fund SoonerCare 2.0. His reasoning for vetoing the bill stems from the Coronavirus-related economic downturn in the state since the bill was introduced. The Legislature declined to override the veto, leaving Medicaid expansion in the state will likely be determined by voters in the June 30 primary election via State Question 802. Adoption of SQ 802 would... (cont.)
MEDICAID EXPANSION BILL VETOED (cont.)

...consecrate Medicaid expansion in the state’s constitution. Expanding Medicaid would require the state to cover more low-income individuals by July 1, 2020. Should it pass, the Legislature will have to find a funding stream for expansion.

CARES ACT REIMBURSEMENT

An online platform was created for cities and counties throughout the state to apply for reimbursement through federal funds provided to Oklahoma by the CARES Act Coronavirus Relief Fund. The Governor’s mission through the reimbursement is to rebuild the economy and ensure future pandemic preparedness. Cities and counties applying must follow guidance issued by the U.S. Treasury. The state seeks to begin processing applications for reimbursement by June 1, 2020. To aid in transparency in the distribution of funds, the Governor’s administration has made all CARES Act Fund reimbursements available to the public on Oklahoma’s Online Checkbook. It is unclear precisely how funds will be distributed, but we will keep a watchful eye on the situation and provide updates as they become available.

AD VALOREM TAX EXEMPTION REPEAL VETOED

A bill to suspend employment requirements for certain businesses receiving property tax exemptions was vetoed by Gov. Stitt after a 44-0 passage in the Senate. SB 1595 would have repealed a statute that defines the types of businesses eligible for local property tax exemptions, making it the largest tax incentive reform to pass this session. Essentially, its passage would have ceased new property tax exemptions the state is supposed to reimburse counties.

COLA RAISES FOR STATE EMPLOYEES

For the first time in more than a decade, most state retirees will receive a boost in their pension payments. Gov. Stitt signed HB 3550 in the final week of session, granting a 2% to 4% cost-of-living adjustment for many of Oklahoma’s retired educators, first responders and state employees. The raise will be applied based on longevity of service. Individuals retired for more than five years as of July 1, 2020 will receive a 4% increase to their pensions; those retired for two to five years, 2%. Individuals recently (less than two years) retired will not receive an increase. In total, an estimated 113,000 retirees will receive some increase.
769 BILLS WERE SENT TO THE GOVERNOR THIS SESSION. 672 WERE SIGNED INTO LAW, 34 WERE VETOED AND 10 BECAME LAW WITHOUT THE GOVERNOR'S SIGNATURE.

Note: No bills can be carried over.

**LEGISLATIVE ACCOMPLISHMENTS**

**HB 1048** – Relates to groundwater rights and eminent domain by requiring entities claiming surface rights through eminent domain to inform owners that they may retain groundwater rights, and imposing related restrictions on surface activity if they do.

*Authors: Rep. Danny Sterling; Sen. Julie Daniels*

*Effective date: November 1, 2020*

**HB 2008** – Permits the Dept. of Agriculture, Food & Forestry to, upon federal approval, establish standards for Oklahoma producers that market and sell beef and bison in intrastate commerce; **EMERGENCY**.

*Authors: Rep. Justin Humphrey; Sen. David Bullard*

*Effective date: May 20, 2020*

**HB 3806** – Creates the Oklahoma Meat Consumer Protection Act which provides for regulation and standards on packaging and advertising for meat products.

*Authors: Rep. Toni Hassenbeck; Sen. Michael Bergstrom*

*Effective date: November 1, 2020*

**HB 3963** – Creates the Agriculture Reform Act of 2020 and defines "Oklahoma certified beef" as any bovine product bred, born, raised and slaughtered within the State of Oklahoma.

*Authors: Rep. Ty Burns; Sen. Casey Murdock*

*Effective date: November 1, 2020*

**HB 4018** – Creates the Rural Broadband Expansion Act which creates a related Council and fund to investigate and provide recommendations related to rural broadband; **EMERGENCY**.

*Authors: Rep. Charles McCall; Sen. James Leewright*

*Effective date: May 22, 2020*
LEGISLATIVE ACCOMPLISHMENTS

**SB 1002** – Adjusts the Rural Broadband Expansion Council’s membership by two to include a wireless telecommunications provider representative and a representative from a rural electric cooperative; EMERGENCY.

*Authors: Sen. James Leewright; Rep. Charles McCall*
*Effective date: May 22, 2020*

**SB 1528** – Updates permissions afforded to licensees under the Industrial Hemp Program to match changes in federal statute, permitting licensed persons to engage in the growth, cultivation, handling and processing of industrial hemp.

*Authors: Sen. Lonnie Paxton; Rep. Dell Kerbs*
*Effective date: November 1, 2020*

**SB 1783** – Adjusts standards under the Controlled Dangerous Substances Act to be in line with the provisions of the Industrial Hemp Act, permitting the growing of hemp in line with federal standards.

*Authors: Sen. Lonnie Paxton; Rep. Dell Kerbs*
*Effective date: November 1, 2020*

**SB 1785** – Creates the Farmers Market and Farmers Hub Act, which establishes a process for registering farmers markets with the Dept. of Agriculture and sets standards for the conduct and sales of products through farmers markets.

*Authors: Sen. Chuck Hall; Rep. Gary Mize*
*Effective date: November 1, 2020*

**SB 1946** – Provides that persons conducting business in this state shall not be liable in a civil action claiming injury from exposure to COVID-19 if conduct was in compliance with regulations in place at the time of alleged exposure; EMERGENCY.

*Authors: Sen. Greg Treat; Rep. Charles McCall*
*Effective date: May 21, 2020*

**SB 1947** – Provides that persons or businesses providing COVID-19-related goods and services to certain entities shall enjoy immunity from liability in certain civil actions, with exceptions; EMERGENCY.

*Authors: Sen. Greg Treat; Rep. Charles McCall*
*Effective date: May 21, 2020*