LEGISLATIVE AGENDA 2020

STATE CHAMBER



How the State Chamber Works for You

Established in 1926, the State Chamber of Oklahoma is a statewide membership organization. Our purpose is to ensure that those creating public policy hear the voice of our members before they cast their vote. We are proud to represent our members, which include small business owners, large companies, chambers of commerce, economic development organizations and not-for-profit organizations.

Oklahoma's Business Advocate

Every day, the State Chamber fights for Oklahoma's future by defending the right of every business to thrive. Our commitment to our members includes:

- Monitoring legislation that can affect the business community
- Sharing valuable political insights and intelligence
- Lobbying at the state and federal level on behalf of business interests
- Keeping you informed on ways you can impact policy
- Creating opportunities for additional visibility for your business
- Building effective partnerships and coalitions
- Connecting leaders through high-level networking and events

Learn What We Can Do for Your Company

Representing more than 4,300 members and approximately 270,000 employees, the State Chamber of Oklahoma is a powerful force in advancing policies that benefit Oklahoma and its business community. When you join the State Chamber, you gain a strong partner and advocate at the State Capitol.

JOIN A POLICY COMMITTEE

EMILY DUREN Director Of Member Relations eduren@okstatechamber.com | 405.272.4428

FROM OUR PRESIDENT & CEO

The end of the decade marked the beginning of Oklahoma's turnaround. After years of significant strife and discord, our state's leadership brought stability, much-needed optimism, and an era of reform at the State Capitol.

In this new setting, the State Chamber of Oklahoma helped enact landmark reforms to state government accountability and transparency, improvements to our judicial selection system, investment in infrastructure, and reforms to our criminal justice system. We also worked to safeguard the rights of private property owners and fought for smart economic development incentives to support our state's growth.

Although impressive accomplishments, now is not the time for our state to rest on our achievements. There is still much to be done if Oklahoma is to become the state we all aspire it to be. A new decade and a new session will require focus, intensity, and tenacity to continue Oklahoma's turnaround. We must also avoid bickering amongst ourselves and work together to pursue those objectives and compromises that will actually enhance opportunities for all Oklahomans.

This year, the State Chamber will lead the charge to improve the prosperity of our state and tackle some of Oklahoma's biggest challenges. The time is now for us to act and build upon the victories of the last few years by enacting civil service reforms, measures to improve

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education outcomes, and meaningful changes to our much-maligned legal and judicial system.

Change is never easy, and we understand the regressive forces opposing reform will not disappear quietly into the night. We anticipate the need to defend the historic workers' compensation reforms and prevent further attempts to overregulate and overtax those that are currently creating jobs and prosperity in our state.

Our 2020 Legislative Agenda spells out the business community's focus in the year ahead. It is ambitious and bold. We must pursue this agenda with fervor if our state is to achieve success and avoid stagnation. The pace of change is quickening, and Oklahoma must also change.

The die is cast, and the State Chamber of Oklahoma is ready to lead transformational change in our state.

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FRED MORGAN President & CEO



MIKE JACKSON Executive Vice President, Government & Political Affairs

Executive Vice President, Government & Political Affairs mjackson@okstatechamber.com | (580) 402-3778

ECONOMIC DEVELOPMENT, TAXATION, AND RETAIL

- Protect, expand and identify valuable economic development incentives by researching best practices in other states and allow the Incentive Evaluation Commission (IEC) to review and propose new incentives to support emerging and existing industries to keep Oklahoma competitive
- Support economic development incentives that create and maintain jobs and investments in Oklahoma, including the Governor's Quick Action Closing Fund, Tax Increment Financing (TIF) Districts and Business Improvement Districts (BID)
- Oppose the imposition of the state's sales tax on professional services, digital goods and labor
- Oppose redirection of funds derived from industry licensing and service fees for general revenue
- Support and protect efforts to meet housing demand to keep pace with economic development and workforce needs

ENERGY AND NATURAL RESOURCES

- Support efforts to modernize county assessment procedures for Oklahoma's energy and agriculture industries
- Support efforts to expand energy infrastructure capacity
- Oppose state regulations on energy and natural resources that are more stringent than federal laws and regulations
- Support the retention and protection of the rights and private property aspects of Oklahoma's surface and groundwater laws
- Oppose any unnecessary regulatory intrusion into energy industry operations

SMALL BUSINESS AND MANUFACTURING

- Reduce the regulatory and statutory burdens on small businesses and manufacturers while assisting them in their efforts to comply with current laws and regulations
- Support efforts to streamline, simplify and reduce paperwork and filings required by small businesses and manufacturers
- Support the appointment of business-minded individuals to serve on state agencies, boards and commissions. In addition, support rule-making processes that include the voice of business, are consistent in procedure and scope, are transparent to the public and are accountable to regulated entities as well as other stakeholders
- Support communication and collaboration with Oklahoma's tribal governments to enhance the state's manufacturing and small business environment
- Preserve and defend Oklahoma's right-to-work laws, workers' compensation reforms and occupational licensing reforms



HEALTH CARE

- Seek new funding and protect existing funding sources to enhance and increase the number of physicians, nurses and other health care professionals needed to reduce the gap throughout the health care spectrum
- Support efforts to develop a state-based plan maximizing and reclaiming state and federal funds to broaden health insurance coverage to Oklahoma's uninsured residents and reduce the costs of uncompensated care that are currently shifted to employers and health care providers
- Support expansion and continued development of the state's bioscience and research programs while opposing efforts to restrict these programs
- Support physician training funding for the state's medical schools in the base budgets of the University Hospitals Authority and Oklahoma State University Medical Authority

WORKFORCE DEVELOPMENT

- Support initiatives that encourage businesses to participate in career pathways or career exploration programs that are specific to the current and future needs of Oklahoma's economy
- Expand access to programs that expedite credential attainment, college credit through concurrent enrollment and Advanced Placement courses for students statewide
- Reform Oklahoma's school funding formula so it is more transparent, student-centered and, as much as possible, allows funding to follow a student
- Provide struggling schools with innovative opportunities and strong accountability to improve their overall performance
- Support strategies that address job training, placement and stability for justice-involved individuals and incentivize second chance employers

"This agenda reflects the steadfast commitment from our members to move Oklahoma forward. I'm proud to stand with our members as we pursue this ambitious agenda to bring truly transformational change to Oklahoma."

Steve Hahn, Chairman – State Chamber Of Oklahoma



AEROSPACE, TECHNOLOGY, DEFENSE, AND TELECOMMUNICATIONS

- Support initiatives to expand developing technology businesses, including autonomous systems, software, hardware, data centers and services
- Support development of Oklahoma's strengths and resources as a prime location for development, testing and flight of Unmanned Aerial Systems (UAS) and oppose regulations which place unnecessary burdens on the growth of the industry
- Protect a pro-investment environment to support the development of telecommunication infrastructure
- Support efforts to remove barriers to broadband access in Oklahoma, such as ensuring that providers are reasonably charged for use of the public rights of way or the facilities within the rights of way
- Oppose state-level efforts to implement regulation of the internet, such as net neutrality

TRANSPORTATION AND INFRASTRUCTURE

- Support all modes of transportation, including transit and passenger rail service and emerging technologies to meet the needs of the traveling public and the demands of our growing economy
- Support initiatives that direct all transportation user fees to be used exclusively for transportation purposes
- Support efforts to minimize the impact of regulatory requirements that increase transportation project costs, stifle productivity and delay delivery of critical infrastructure improvements
- Support transparency, accountability and efficiency in state contracts by ensuring that contracts are awarded based on criteria related to the performance of contracts
- Support efforts to improve the sustainability of Oklahoma's water and wastewater systems

OKJOBKILLERS.COM

A number of bills being proposed this year could be devastating for Oklahoma's business community. Our annual OKJobKillers.com website sounds the alarm about proposed legislation that could damage our economy by imposing costly mandates and unnecessary red tape on Oklahoma's job creators. The website also features bills that threaten to roll back pro-growth policies that are vital to a competitive business climate. The site—launched in mid-February each year—is regularly updated throughout session with status updates and newly proposed legislation. Please join us in helping defeat these bad-for-business bills through frequent engagement with your legislators and our team of issue experts!



KINSEY WESTWOOD

Vice President, Government Affairs kwestwood@okstatechamber.com | (405) 272-4417

HUMAN RESOURCES AND LABOR LAW

- Support efforts to reform Oklahoma's unemployment benefits system
- Support business protections and property owners' rights regarding medical marijuana

LEGAL REFORM

- Support transparency in private attorney contracts
- Support a solution to place a limit on non-economic damages
- Support pro-business reforms to Oklahoma's judicial nominating process

WORKERS' COMPENSATION

- Work to enhance and protect the 2013 reforms to the workers' compensation system
- Support revisions to workers' compensation medical fee schedule which will control medical costs while ensuring access to quality medical care for injured workers

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Fred Morgan, President & CEO – State Chamber Of Oklahoma

WHY IT MATTERS

ECONOMIC DEVELOPMENT

Approximate number of Tax Increment Finance Districts (TIF) in the state. (Oklahoma Department of Commerce)

49TH

87

HEALTH CARE

Oklahoma ranks 49th in percentage of population without health insurance. (U.S. Census Bureau)

HUMAN RESOURCES AND LABOR LAW

Oklahoma Unemployment Trust Fund has maintained a balance of over \$1 billion for at least 3 years. (Oklahoma Employment Security Commission)

8TH

\$1

BILLION

LEGAL REFORM

Oklahoma was officially distinguished as a "Judicial Hellhole" on a nationwide annual survey due to recent court decisions and bottlenecks in the Legislature. (American Tort Reform Association)

\$80.9 BILLION

MANUFACTURING

Manufacturing sector's contribution to the State Domestic Product, a 32.8% increase from this sector alone. (Business Enterprise Center at Southwestern Oklahoma State University)



TELECOMMUNICATIONS

The state ranks in the bottom 10 for internet access. (U.S. News & World Report)

12%

TRANSPORTATION AND INFRASTRUCTURE

The percentage of Oklahoma's bridges are rated as poor/structurally deficient. (TRIP)

\$4.8 BILLION

WATER INFRASTRUCTURE

According to the 2015 "Needs Survey", the state's approximately 1,600 public water supply systems need \$4.8 billion for transmission and distribution pipes and pumps in order to provide adequate infrastructure for water in the state. (Oklahoma Department of Environmental Quality)

WORKERS' COMPENSATION

Workers' compensation claims filed in 2018. (Oklahoma Workers' Compensation Commission)

3,038

7,935

WORKFORCE DEVELOPMENT

Emergency Teacher Certifications authorized during the 2018-2019 school year, a 64% increase from the previous year. (Oklahoma State Department of Education)

The policies we choose to fight for each year are the result of careful deliberation by our member-based committees, State Chamber leadership and our Board of Directors. These policies are also guided by data on the strength, competitiveness and economic viability of our state. These are just a few rankings and statistics that illustrate what Oklahoma is doing well—and what must be improved.

IN 2019, THE STATE CHAMBER OF OKLAHOMA WORKED WITH LAWMAKERS TO:

Gave The Governor Direct Appointment Power For Some Of The State's Largest Agencies

As part of our OK2030 strategic plan, Governor Stitt signed into law five bills that will give the Governor the power to hire and fire the directors of the state's five largest agencies. This historic reform (along with the newly created Legislative Office of Fiscal Transparency) will provide an unprecedented level of transparency and accountability in state government.

Blocked \$3 Billion In New Taxes

We defeated nearly 20 bills that would have raised taxes in Oklahoma to the tune of \$3 billion. These bills included eliminating exemptions, a severance tax on aggregates and combined corporate reporting.

Provided Much-Needed Reforms To Medical Marijuana Laws

The Oklahoma Medical Marijuana and Patient Protection Act (the Unity Bill) accomplished two important items. The first was respecting the will of the voters following the legalization of medical marijuana in Oklahoma. Secondly, it provided much-needed clarity for employers and business owners. Under the law, employers aren't required to allow the use or possession of marijuana in any place of employment during work hours.

Protected Important Workers' Compensation Reforms

After months of hard work and good faith negotiations amongst all parties, we helped broker a deal resulting in a competitive workers' compensation market that encourages job creation and respects injured workers. This legislation helps protect the landmark 2013 workers' compensation reforms, and it's pivotal if we want to be a top 10 state.

Protected Successful Programs And Reforms

We suppressed bills taxing capital gains. We also eliminated legislation that reduced the years of experience requirements within the new teacher licensure career ladder certificates and abolished the state's annual school site report cards for all 1,802 public schools in Oklahoma.

Prevented Businesses From Losing Their Federal SALT Deduction

Last year, nearly 135,000 Oklahoma businesses were at risk of losing a critical tax deduction, putting them at a competitive disadvantage relative to states like Texas and Florida. We worked with lawmakers to pass the SALT Parity Fix which fixed the laws to provide pass-through businesses the option to pay their taxes at the entity level. Restoring the SALT deduction allows Oklahoma businesses to compete more effectively, at no cost to our state.

Established Third-Party CDL Testing

The State Chamber worked to pass legislation that helps address the shortage of commercial drivers across the state by allowing CDL training schools to also provide CDL tests. At the same time, we also passed legislation to allow companies with three or more commercial vehicles to file their registration and pay associated costs at once rather than periodically throughout the year to reduce the likelihood of fines or fees.

Prevented Costly Mandates On Business

We blocked bills that allowed municipalities to set their own minimum wage for Oklahoma's 901,000 hourly paid workers. We stopped legislation that allowed for licensure of health care facilities that charge higher prices for routine care and permitted the use of out-of-network providers. In addition, we blocked bills that forced businesses to offer paid family leave for roughly 1.3 million private Oklahoma employees and removed the pre-emption that allows the Legislature to set the state's minimum wage.

SAVE THE DATE 2020 EVENTS

February 12	Legislative Reception Oklahoma History Center Oklahoma City, OK
June 24	Annual Meeting National Cowboy & Western Heritage Museum Oklahoma City, OK
August 11-13	Governor's Economic Development and Workforce Summit Embassy Suites Hotel & Conference Center Norman, OK Visit oedc.net/events for more info!
September 14-16	Washington D.C. Fly-In Headquarters Hotel: Trump International Hotel Washington, D.C.
September 30	Golf Classic (Open to Event Sponsors Only) Karsten Creek Golf Club Stillwater, OK
December 9	Public Affairs Forum National Cowboy & Western Heritage Museum Oklahoma City, OK
For the most up-to-date and detailed information about our events, please visit www.okstatechamber.com/events	
For sponsorship opportunities, please contact Lindsey Sparks, Director of Events	

For sponsorship opportunities, please contact Lindsey Sparks, Director of Events at lsparks@okstatechamber.com or (405) 272-4430

WE MEAN BUSINESS

STATE CHAMBER

PO Box 53217, Oklahoma City, Oklahoma 73152-3217 405.235.3669 | www.okstatechamber.com