



STATE CHAMBER  
OF OKLAHOMA

2017 LEGISLATIVE WRAP-UP



# JOB KILLERS

## JOB-KILLING BILLS WE DEFEATED

As the voice for Oklahoma businesses, the State Chamber works thousands of bills each year that impact Oklahoma companies. Below are just a few of the bad bills we helped defeat this year, bills that would have negatively affected our state's economy and competitiveness.

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| <b>HB 2369</b> | Combined Corporate Reporting penalized companies for investing in Oklahoma by taxing them based on all their interests, both in and out of the state                         |
| <b>HB 2382</b> | Significantly reduced funds dedicated to health care from the existing cigarette tax   |
| <b>HB 1536</b> | Required all employers to grant a minimum of one hour of earned paid sick time for every 40 hours worked   |
| <b>HB 1664</b> | Increased the tax burden on Oklahoma businesses, without accounting for expenses and costs   |
| <b>SB 201</b>  | Would have made it more difficult to finance turnpike projects   |
| <b>HB 1330</b> | Imposed additional taxes, rules and regulations related to commercial injection or disposal wells  |
| <b>SB 630</b>  | Placed onerous regulations on the Unmanned Aerial Vehicle (UAV) industry   |
| <b>SB 197</b>  | Allowed individuals and companies to discriminate based on behavior or lifestyles of which they disapprove   |
| <b>HB 2194</b> | Made changes to the procedures for condemnation proceedings and eminent domain   |
| <b>SB 393</b>  | Would have diminished our state's ability to provide a scientifically rigorous education and a STEM capable workforce  |
| <b>HB 2322</b> | Created civil damages for individuals who sue cities over firearm regulations  |
| <b>HB 1314</b> | Would have required the full amount billed for medical care as it relates to personal injury lawsuits to be admissible as opposed to what was actually paid for medical care |
| <b>SB 282</b>  | Deleted the modification of public utility rates in certain circumstances and related procedures   |
| <b>HB 1477</b> | Would have increased the minimum wage to \$10.50 an hour or the current federal minimum wage, whichever is greater   |

## FROM OUR PRESIDENT & CEO

A sizable state budget deficit made for a challenging and contentious legislative session. The stakes were high for the business community, given the need to protect Oklahoma's long-term economic growth amid current budget difficulties.

Despite a turbulent session, the State Chamber of Oklahoma successfully advanced numerous policies that strengthen our state's economy and business competitiveness:

Reforms to the General Corporation Act align Oklahoma with the national gold standard for business incorporation practices. The passage of long laterals and aerospace engineering incentive bills mean that key Oklahoma industries can keep growing and producing revenue for our state. A bill to review agency spending will promote efficient government. Discovery reform reduces business costs while protecting against abuse of our legal system, and REAL ID makes travel safe and seamless. In addition, revisions to Oklahoma's A-F grading system provide a better understanding of how our schools are performing, leading to a successful workforce.

These critical wins help ensure Oklahoma businesses can continue creating jobs and opportunities for our state. We also defeated numerous job-killing bills that would have stunted our economy. With the state's budget issues, however, we expect to face many of the same challenges next year. So we must remain vigilant and engaged.

The State Chamber continues to fight at the Capitol for smart legislation that fosters business and economic growth in Oklahoma. We ask you to join in this effort by contacting your legislators regularly, joining a State Chamber policy committee and sharing your ideas for moving our state forward through our OK2030 strategic vision plan.

Our deepest thanks to the many members, chambers and individuals who stood with us this year as we successfully advocated for pro-growth policies.



A handwritten signature in black ink that reads "Fred Morgan" with a long horizontal line extending to the right.

**FRED MORGAN**  
President & CEO



## JONATHAN BUXTON

**Senior Vice President, Government Affairs**

Facing another budget deficit this year, the Oklahoma Legislature focused on new revenue sources and ways to streamline the state budget. One important reform developed by the State Chamber was **HB 2311**, which creates the Agency Performance and Accountability Act. This bill will conduct performance audits for state agencies to provide the Legislature with the information necessary to better determine how to spend tax dollars. **SB 769** updates our Oklahoma General Corporation Act to align with the best practices developed for corporate governance. These are the first major updates since 2008 and will modernize our corporate code to help Oklahoma-based companies and attract new businesses to the state. Finally, **HB 2131** reinstates a valuable tax credit for companies to develop tourism attractions in Oklahoma. Working in partnership with the Oklahoma Tourism and Recreation Department, project developers can qualify for these benefits if the project will generate at least 25% of revenue from out-of-state guests and have a significant positive economic impact on the state.



## MIKE SENEY

**Senior Vice President, Policy Analysis & Strategic Planning**

Civil procedure reform through **HB 1570** makes Oklahoma the first state to update our laws of discovery in a manner similar to what was accomplished by the federal courts a couple of years ago. **HB 1570** also contains language repealing a section of law called “loser pays” that would have required the loser in every lawsuit to pay the attorney fees of the prevailing party. **HB 1429** requires an individual to notify an organization in writing before filing a lawsuit alleging that a company’s website is not conforming to law, codes and standards for the visually or hearing impaired and gives the website host 120 days to remedy such non-conformity. In a common-sense bill, **HB 2276** clarifies that the Consumer Protection Act cannot be used to sue a business for miscalculation of sales tax when that business has collected and remitted the sales taxes to the Oklahoma Tax Commission.



## MIKE JACKSON

**Senior Vice President, Political Affairs and Advocacy**

Oklahoma driver’s licenses will be brought into compliance with the federal REAL ID Act through **HB 1845**. This legislation allows Oklahomans to continue to use state driver’s licenses to board airplanes or access military bases. Two new bills will encourage public-private partnerships at both the state level (**SB 430**) and the local level (**HB 1534**). These bills will help Oklahoma businesses take part in new government initiatives, including a substantial number of projects in the President’s new infrastructure plan. The rise of paid protests and trespassing at critical infrastructure nationwide gave rise to two important bills: **HB 1123** and **HB 2128** impose strict fines for trespassing on critical infrastructure, enact tougher penalties for property damage and provide civil liability protections. Finally, **SB 867** authorizes long lateral wells throughout Oklahoma and will keep our state growing by allowing oil and gas producers to develop our rich natural resources with less surface disturbance and a smaller footprint. More drilling means more jobs, larger royalty payments for Oklahomans and more money going to state and local coffers.



## JENNIFER LEPARD

Vice President, Government Affairs

The successful aerospace engineering tax credit program was extended under **SB 120**, keeping Oklahoma's momentum in the aerospace industry. These tax credits help attract new businesses to the state and retain existing high-paying aerospace jobs. It was a busy session for health care as proponents successfully advocated for increasing the price of cigarettes. **SB 845** creates a new \$1.50 fee on a pack of cigarettes, with most of the revenues dedicated to stabilizing Oklahoma's health care industry. The health care industry also saw some relief with the passage of **SB 30**, a bill that removes a costly unfunded mandate on hospitals. A 2016 state law required health care facilities to post certain information on signs in each of their restrooms. This legislation removes that onerous requirement and directs the State Department of Health to post the information on their website instead. **SB 773** sets in motion a process to coordinate care for foster children by using private managed care plans. As evidenced by successes in other states, this will allow the state to take advantage of private sector efficiencies and make our health care dollars stretch further.



## EMILY SHIPLEY

Vice President, Government Affairs

The quality of our future workforce depends on what happens in today's classroom. Several measures that passed this session will ensure Oklahoma's education system produces well-prepared workers while developing a road map for future reforms. **HB 1693** improves Oklahoma's A-F school report card accountability system to ensure growth for every student and increased graduation rates. **HB 2155** will better equip students through an Individual Career Academic Plan (ICAP). The ICAP helps students establish academic and career goals, explore postsecondary opportunities, secure financial aid and enter the workforce. Greater access to postsecondary opportunities through Oklahoma's Promise, the state's college tuition assistance program, is now a reality thanks to **SB 529**. The eligible family income threshold will increase by \$10,000 and an annual income check will be required. With the passage of **HB 1578**, the education system should see funding reform in the future. The measure establishes the School Finance Review Commission, a new 16-member taskforce that will study the State Aid funding formula, ad valorem rates, formula structures including grade level, student category and transportation weights, as well as district size. The business community will have a spot on the task force.

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FRED MORGAN, President & CEO



## CHAIRMAN'S MESSAGE

*Vision for our state. Action for our future.*

For the last two years, we've been playing defense at the Capitol. The legislative process has been chaotic. Unsustainable, stop-gap measures have been used to patch the budget. And due to a lack of long-term thinking, Oklahoma businesses and job creators have been targeted to shoulder a disproportionate burden.

Our state needs vision and leadership. Now's the time to put a plan into motion for advancing our entire state. The State Chamber is developing a strategic plan, OK2030, to improve Oklahoma's business climate, workforce, quality of life, innovation and fiscal stability.

We all want something better for our state, and we need the business community to help us build it. Let your legislators know how their decisions impact your business and community. Please share your ideas on [www.OK2030.org](http://www.OK2030.org) about how we can chart a better future for our state.

### TED HAYNES

President, Blue Cross Blue Shield of Oklahoma  
2016-17 Chairman of the Board, State Chamber of Oklahoma

WE MEAN BUSINESS



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