# LEGISLATIVE AGENDA 2020

DETAILED VERSION

STATE CHAMBER

## 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

#### AEROSPACE, TECHNOLOGY, DEFENSE & TELECOMMUNICATIONS

#### STATE AGENDA

- Support development of Oklahoma's strengths and resources as a prime location for development, testing and flight of Unmanned Aerial Systems (UAS) and monitor efforts to regulate UAS and oppose regulations which place unnecessary burdens on the growth of the industry
- Protect designated aviation user fees from being used for non-aviation needs and purposes
- Ensure government does not use public funds to offer commercial services directly competing against private industry
- Support initiatives to expand developing technology businesses including autonomous systems, software, hardware, data centers and services
- Support educational preparation and training pipeline initiatives, including Career Pathways, education industry partnerships, apprenticeships, registered internships and the development of STEM (Science, Technology, Engineering and Mathematics) Communities, to encourage Oklahomans to pursue STEM careers including careers in aerospace and technology
- Support efforts to address increasing workforce and training needs in the growing aerospace and defense manufacturing, maintenance, repair and overhaul and developing technological industries
- Support the development of a federal and/or commercial space center in Oklahoma
- Protect a pro-investment environment to support the development of telecommunication infrastructure
- Support funding for the Oklahoma Strategic Military Planning Commission and Oklahoma Military Department and other efforts to protect, expand, and enhance military related economic activity and investment at Oklahoma's military installations including active duty, Oklahoma National Guard, and Reserve components
- Encourage policies that will ensure the responsible and compatible development around military training routes and ranges so as to ensure airspace mission capability while protecting the rights of private landowners
- Support and encourage employment and job placement of Oklahoma's National Guard, Reserve components and veteran military personnel
- Oppose state-level efforts to implement regulation of the internet such as net neutrality and privacy
- Oppose state-level efforts that conflict with federal laws and regulations that impact the telecommunications industry
- Support, enhance and defend continuance of the Aerospace Engineer, Cyber Security and Software Engineer Tax Credits
- Enhance governmental bodies and positions such as the Science and Technology Council to improve the state's ability to deal with complex technology and science related policy-making
- Foster public-private partnerships by creating a matching incentive for state, local and/or tribal governments in Oklahoma that participate in advanced transportation technology projects with the federal government to improve the competitiveness of Oklahoma proposals.
- 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

#### AEROSPACE, TECHNOLOGY, DEFENSE & TELECOMMUNICATIONS

- Monitor efforts to regulate Unmanned Aerial Systems (UAS) at the federal level and oppose regulations which place unnecessary burdens on the growth of the industry
- Oppose efforts to regulate broadband internet as a public utility
- Support significant, long-term reauthorization of the Federal Aviation Administration (FAA)
- Support the continuation of the U.S. Contract Tower Program
- Support trade policy that enables U.S. aerospace companies to compete in the global market
- Support long-term reauthorization of the Export-Import Bank
- Support the establishment of a Federal and/or Commercial Space Surveillance Center in Oklahoma
- Support the modernization, safety and efficiency of our nation's Air Traffic Control system and ensure the viability of the FAA Mike Monroney Aeronautical Center
- Support funding and other efforts to protect, expand, and enhance military related economic activity and investment at Oklahoma's military installations including active duty, Oklahoma National Guard, and Reserve components and provide for continued growth of the military presence in the state

#### **ECONOMIC DEVELOPMENT, TAXATION & RETAIL**

#### STATE AGENDA

- 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
- Continue to support and protect the pension reforms that lower Oklahoma's unfunded pension liability
- As part of an all-inclusive energy approach, support a tax structure for all energy development that protects existing investment and promotes new capital investment in Oklahoma
- Support reforms to improve the efficiency and effectiveness of both the Small Employer Quality Jobs Act, the 21st Century Quality Jobs Act and the Quality Jobs Act
- Support tax policy that encourages business growth and oppose tax policy that is harmful to business
- Support expansion of funding for state economic development efforts including OCAST to benefit business and industry technology expansion, market diversification, entrepreneurship, seed capital and new product development
- Support and protect efforts to meet housing demand to keep pace with economic development and workforce needs
- Support the expansion of public/private partnerships using best practices such as opportunity zones
- Support legislation to prohibit government entities at any level from hiring outside auditors for increased revenue collection on a contingency or performance fee basis
- Reduce business uncertainty by supporting a state budgeting process that produces multi-year strategic spending plans, increasing transparency, utilizing best practices for agency operations, forecasting revenues, spending commitments, budget limitations and pension obligations
- Support legislation to address the problem of the number of uninsured motorists, which adversely affect insurance costs of law-abiding citizens and the costs of trauma care centers that must provide medical treatment to uninsured motorists who are injured in accidents
- Oppose redirection of funds derived from industry licensing and service fees for general revenue
- Oppose the imposition of the state's sales tax on professional services, digital goods and labor
- 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 efforts to conform Oklahoma state tax law in order to preserve tax savings from changes to federal tax law contained in the Tax Cut and Jobs Act of 2017
- Support efforts to modernize county assessment procedures for Oklahoma's energy, construction and agriculture industries

- Support the continuation of Master Limited Partnerships (MLPs) in the federal tax code
- Support the continuation and make permanent the Native American Tax Incentives in the federal tax code
- Support continual evaluation to determine designated opportunity zones and expand throughout all eligible census tracks in Oklahoma's tribal jurisdictional areas as well as support the tax extension
- Support the administration in giving preference points to grant applications originating from opportunity zones

#### **ENERGY & NATURAL RESOURCES**

#### STATE AGENDA

- Support the Oklahoma Water Resources Board's (OWRB) water planning authority to ensure certainty for Oklahoma business when working with the OWRB to obtain water permits, and continue opposition of legislatively-created regional water planning groups
- Oppose any policy that results in less water being available for use by cities and towns, business and industry, agriculture, oil and natural gas, mining, tourism and other beneficial uses as defined by current law and promote policy that increases water availability
- Support the retention and protection of the rights and private property aspects of Oklahoma's surface and groundwater laws
- Support completion of statutorily required groundwater basin studies and equal proportionate share determinations to ensure certainty for Oklahoma business
- Support funding for water resource infrastructure development
- Support efforts to expand development of affordable and functional natural gas vehicles, electric vehicles, and all other alternative fuel vehicles and strategically expand natural gas fueling and electric charging infrastructure
- Support the rights of industry, public and private land and mineral owners to be free from burdensome regulations due to candidate, threatened, and endangered species
- Support efforts to ensure state primacy over pipeline safety as directed by the U.S. Pipeline and Hazardous Materials Safety Administration (PHMSA)
- Support state primacy over environmental regulations and energy and natural resource industry operations
- Support incentives for or voluntary initiatives to increase water conservation, reuse or other similar efforts statewide and with tribal and private partners to develop water availability
- Oppose any unnecessary regulatory intrusion into energy industry operations
- Support and protect the state's current eminent domain laws for energy infrastructure development
- Support Oklahoma's current oil and natural gas pooling laws to protect the development of Oklahoma's resources for the benefit of mineral owners, the state budget and economic development
- Support efforts to streamline and improve efficiencies and upgrade IT infrastructure at the Corporation Commission. Support the use of the FY 2020 appropriations increase as a permanent fund to make IT improvements.
- Oppose state regulations on energy and natural resources that are more stringent than federal laws and regulations.
- Support efforts to modernize county assessment procedures for Oklahoma's energy and agriculture industries
- Support efforts to expand energy infrastructure capacity

#### **ENERGY & NATURAL RESOURCES**

- Support efforts to expand energy infrastructure capacity
- Support any federal agency rules under the Clean Water Act expanding state jurisdiction over water
- Oppose the effort to tighten federal ozone standards until there is compliance in all regions
- Support regional solutions rather than federal mandates on energy and natural resource issues
- Support funding for water resource infrastructure development
- Support the rights of industry, public and private land and mineral owners to be free from burdensome regulations due to candidate, threatened, and endangered species
- Oppose sue and settle practices of federal agencies and the U.S. Department of Justice
- Support consistency between the regions of the EPA

#### HEALTH CARE

- Support a tax increase on cigarettes and e-cigarettes for the purpose of improving the health of Oklahomans and raising revenue to fund health care priorities such as: (1) assuring that all Medicaid providers are fully compensated for their services, (2) adequate funding for mental health and (3) providing coverage to uninsured Oklahomans
- Improve the Insure Oklahoma! premium assistance program designed to make health insurance more affordable for small businesses while assuring the program's long-term stability and the funding source remains dedicated to Insure Oklahoma!
- Support incentives and initiatives designed to enhance medical research, improve service delivery and increase access to health care
- Maintain opposition to new state and federal mandated private health insurance benefits that would raise costs to businesses attempting to provide quality health insurance benefits until such time as an independent cost/benefit analysis accompanies and justifies any proposed health insurance benefit mandate
- Support the development of a healthy and productive workforce by eliminating barriers to the efforts of employers and communities in their promotion of positive health habits
- 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 evidence-based solutions that simultaneously achieve better health, better health care, and cost containment
- Continue to support a long-term solution to address full reimbursement funding for Medicaid services since erosion of funding shifts cost increases to businesses and other taxpayers
- Support the protection of Tobacco Settlement Endowment Trust funds as originally approved by the voters
- 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 initiatives that provide resources for employers for workplace training and screening programs in behavioral health in an effort to reduce Oklahoma's ranking as one of the worst in mental health and substance abuse disorders in the United States
- Support full funding of mental health and substance abuse services to encourage and strengthen the stability of Oklahomans
- Support legislation that increases the number of immunized Oklahomans and oppose legislation that could decrease the number of immunized Oklahomans
- Support efforts, including training and funding, to create, increase and protect access to health care services to rural and underserved areas
- 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
- Support efforts to reduce the sale and mitigate the use of tobacco products, all vaping products and e-cigarettes in Oklahoma to safeguard the health of Oklahomans

#### HUMAN RESOURCES AND LABOR LAW

#### **UNEMPLOYMENT**

- Support efforts to reform Oklahoma's unemployment benefits system
- Support stronger regulations that require unemployed individuals to actively be looking for work in order to collect unemployment compensation benefits
- Support statutory penalties for unemployment compensation fraud that parallel those for workers' compensation fraud

#### PAID LEAVE

- Oppose all efforts to force businesses to provide paid leave above what is currently required by federal law
- Oppose efforts to divert unemployment compensation trust money to pay for family medical leave

#### WAGE & HOUR LAW

- Oppose all statutory mandates, either state or federal, as they relate to employer/employee relationships
- Oppose efforts to lower the small business exemption from 50 to 25 or fewer employees
- Support the "mirroring" of federal law on wage and hour laws
- Support allowing employers the option of granting compensatory time in lieu of payment for overtime
- Oppose any attempt to limit the definitions of "exempt employee" or otherwise expand employee eligibility for overtime
- Support efforts to allow an employer to pay overtime only when a 40-hour weekly work schedule is exceeded
- Oppose any federal or state legislative or regulatory measures that will interfere with an employee's and employee's freedom to contract, including efforts to pass the Arbitration Fairness Act

#### MEDICAL MARIJUANA

• Support business protections and property owners' rights regarding medical marijuana

#### WEAPONS

• Support business and property owners' rights to regulate the possession of weapons on their property

#### LEGAL REFORM

- Support pro-business lawsuit reforms, reforms to Oklahoma's product liability laws, and push back against legislation that would expand liability
  - ° Support Rational Use of a Product Act
  - ° Support Statute of Repose not to exceed ten years
  - Update the Oklahoma Rules of Procedure to reflect changes to pleading standards in the federal system
  - ° Strengthen the use of the summary judgement statute
  - ° Support certificate of merit reform
  - ° Support a solution to place a limit on non-economic damages
  - Strengthen and broaden the Oklahoma Offer of Judgment Statute
  - Protect property owners from attorney fee liability when the state demands a jury trial in eminent domain appeals
  - ° Support amending public and private nuisance laws to avoid misuse
  - Support Transparency in Private Attorney Contracts (TiPAC Attorney General contracts on a contingency fee basis with outside counsel)
  - Support pro-business reforms to Oklahoma's judicial nominating process including term and/or age limits, and implementation of the federal (or quasi-federal) process
- Support business friendly protections in the new medical marijuana laws
- Support efforts to further criminal justice reform to improve workforce and protect public safety while decreasing costs within the state's budget
- The American Law Institute's Restatement of the Law, Liability Insurance does not constitute the law or public policy of this state if the statement is inconsistent or in conflict with: The Constitution of the United States or Oklahoma; Oklahoma statute; Oklahoma case law precedent; or other common law that may have been adopted by Oklahoma

#### SPECIAL LAWS

• Support reforming Article 5, Section 46 of the Oklahoma Constitution to remove the provision limiting civil actions

#### LOGROLLING

• Support reforming Article 5, section 57 of the Oklahoma Constitution to include clear, defined and simple guidelines on what constitutes or does not constitute a violation of the single-subject provision

#### SMALL BUSINESS AND MANUFACTURING COALITION

- Speak as the unified voice of Oklahoma's manufacturers, advocating business-friendly legislation and regulations at all levels of government
- Strengthen Oklahoma's existing manufacturing economy through probusiness legislation, business development communications and networking opportunities through various programs and activities
- Educate our citizens, employees and the emerging workforce on the continuing importance of manufacturing in Oklahoma and associated career opportunities
- Maintain strong, positive support for manufacturers, The Alliance for Manufacturing Excellence and the State Chamber

#### STATE AGENDA

- Address the issues of identifying, recruiting and retaining trained workers
- 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 tax incentives, credits and other benefits that foster growth opportunities for Oklahoma's manufacturing ecosystem and small businesses
- Support efforts to streamline, simplify, and reduce paperwork and filings required by small businesses and manufacturers
- Support pro-business lawsuit reforms that will improve the competitiveness of Oklahoma's manufacturing sector including product liability reform
- Preserve and defend Oklahoma's Right to Work laws, Workers' Compensation reforms and Occupational Licensing reforms
- Support the appointment of business-minded individuals to serve on state agencies, boards and commissions, and 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 businesses, industries and manufacturers in research and development endeavors for the purpose of commercialization to compete in a national and global market
- Support communication and collaboration with Oklahoma's tribal governments to enhance the state's manufacturing and small business environment.

- Accelerate the adoption of advanced manufacturing technologies in support of the MEP national network
- Make permanent the Small Business Innovation Research and the Small Business Technology Transfer programs
- Support the Small Business Administration loan program and other efforts to empower small business growth
- Promote efforts to improve sustainability practices within the manufacturing ecosystem

#### **TRANSPORTATION & INFRASTRUCTURE**

- Preserve Oklahoma's state highway funding and protect the Eight-Year Construction Work Plan by returning the statutory allocation of all motor fuel taxes that are being diverted to the general fund as a primary input into the safety and wellbeing of our citizens and the growth and sustainability of the state's economy
- Support all modes of transportation including transit and passenger rail service, and emerging technologies to meet the needs of the traveling public and the demand of our growing economy
- Support efforts to expedite the construction and operation of appropriate ports of entry and weigh stations to ensure the public's safety and protect our state's investment in infrastructure
- Support efforts to minimize the impact of regulatory requirements that increase transportation project costs, stifle productivity, and delay delivery of critical infrastructure improvements
- Support implementation of the state's Bridge Improvement Plan to repair or replace Oklahoma's structurally deficient and functionally obsolete bridges on the state's highway system by 2020 and the continued improvement of Oklahoma's nationally leading bridge improvement programs
- Support initiatives that direct all transportation user fees to be used exclusively for transportation purposes, like fully funding the gas tax estimate certified by the Board of Equalization and support the Driving Forward Program and other efforts to modernize Oklahoma's turnpike system
- Preserve Oklahoma's Five-Year CIRB plan and restore funding that is essential for counties to continue to address bridge and highway infrastructure needs
- Preserve and protect Oklahoma's airport funding and protect the Three-Year Airport Capital Improvement Program
- Support ongoing efforts to bring Oklahoma into compliance with the federal REAL ID Act
- Preserve and protect current eminent domain laws as described in the Landowner's Bill of Rights
- Support the implementation and full funding of Federal Surface Transportation Programs, including measures to permanently and adequately fund the Highway Trust Fund, Mass Transit Account, federal capital improvement programs and a continued effort to enhance the legislation to streamline and improve project and program delivery
- Support the elimination of the backlog of infrastructure maintenance on the McClellan-Kerr system and the completion of the channel to a depth of twelve feet
- Support efforts to protect and increase federal tribal transportation funding
- Support efforts to improve the sustainability of Oklahoma's water and wastewater systems
- Support efforts to protect and increase funding opportunities for water infrastructure projects
- Support access to local aggregate sources, ensuring the best possible price/value equation for materials required for infrastructure construction.
- Support an equitable funding solution for electric vehicles that do not currently pay for road and bridge maintenance
- Support addressing long-term funding of transportation infrastructure through researching and developing sustainable funding alternatives
- Support transparency accountability and efficiency in state contracts by ensuring that contracts are awarded based on criteria related to the performance of contracts.

#### WORKERS COMPENSATION

- Work to enhance and protect the 2013 reforms to the Workers' Compensation system enacted by Senate Bill 1062
- Secure appropriate funding to implement the reforms of Senate Bill 1062
- Ensure workers' compensation generated funds are used solely within 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
- Support mandatory use of Official Disability Guidelines for treatment of injured workers
- Continue to defend legal attacks against 85A
- Support a solution to make specific intent the operative test in deciding whether an employer's conduct was intentional when determining if an employee can recover damages from an employer resulting from workplace injuries in civil court and outside the scheme of the Oklahoma Workers' Compensation Act
- Oppose changes to the current statutory requirements qualifying an employee's mental injury or illness as compensable

#### WORKFORCE DEVELOPMENT

#### K-12 EDUCATION POLICIES, AS ADOPTED FROM OKLAHOMA ACHIEVES

- Reform Oklahoma's school funding formula so it is more transparent, student-centered and, as much as possible, allows funding to follow a student
- Expand access to programs that expedite credential attainment, college credit through concurrent enrollment and Advanced Placement courses for students statewide
- Support the passage of policies that promote school choice in order to give students free market choice when selecting the school that best meets their individual needs and oppose efforts to restrict charter school expansion
- Give public charter schools equal access to similar resources as traditional public schools
- Support computer science and technology integrated programming to prepare students for the 21st century workforce
- Provide struggling schools with innovative opportunities and strong accountability to improve their overall performance
- Reform the roles of school administrators, counselors and teachers to allow each to have a more specialized leadership role in their area of expertise

#### WORKFORCE AND POST-SECONDARY POLICIES

- Create incentives for hiring more STEM and critical occupation related educators in postsecondary education to meet workforce needs and to be comparable with the private sector
- Prioritize education funding and student recruitment efforts for programs and reforms designed to address current and future Oklahoma workforce needs in STEM and other critical occupations utilizing a performance review process
- 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
- Increase access and support to degree and industry endorsed skills certificate programs tied to critical occupations and support employer incentives for work-based learning programs such as apprenticeships and internships
- Support and expand access to higher education and Career Tech programs through Oklahoma's Promise and maintain its continued funding
- Promote collaboration among education, workforce partners and the private sector to strengthen Oklahoma's workforce pipeline and state and regional sector strategies to meet the needs of critical occupations by aligning their courses and curricula with industry-identified needs and skills
- Support research programs that will attract and leverage new federal and private funding opportunities, commercialize new technologies and create the high tech and STEM jobs needed to be globally competitive in an innovation economy
- Support strategies that address job training, placement and stability for justice involved individuals and incentivize second chance employers
- Support the expansion of Federal Pell Grant opportunities to apply toward all technology programs and qualified skilled technical workforce certificate



## 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 275,000 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

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## WE MEAN BUSINESS

## STATE CHAMBER

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