2014 Legislative Wrap-Up
2013/14 Legislation - Unemployment Taxes – With the passage of HB 1911 & HB 2505, Oklahoma employers now have clearer definitions of “misconduct” to take to the Oklahoma Employment Security Commission when challenging a claim.

2013 Legislation - Workers’ Compensation – The passage of SB 1062 replaces Oklahoma’s court-based system with a less adversarial administrative system. Benefit reductions will bring Oklahoma in line with surrounding states.

Labor Laws – Over the past few years, the State Chamber has taken the lead in lobbying for a complete rewrite of Oklahoma’s drug and alcohol testing laws; employment discrimination laws; and other labor-related laws at the state and federal level. Estimated savings for Oklahoma businesses total $125 per employee.

Indian Lands Tax Credits – Close coordination with Oklahoma’s Congressional delegation has ensured the continuation of this competitive program. After twenty years, we know that 17% of the workforce in eligible areas qualifies and the average tax credit is $3,500.

Estate & Franchise Tax – In 2005, due to the State Chamber’s efforts, the Legislature exempted businesses owing a franchise tax of $10 or less from paying the tax. In 2007, we got that raised to $250 or less, eliminating the need for more than 70,000 Oklahoma businesses to file a franchise tax return.

Lawsuit Reform – The State Chamber developed the coalition, lobbied for and led the charge to achieve broad-based, significant lawsuit reform. In 2014, when the Supreme Court struck down a major lawsuit reform bill passed in 2009, the State Chamber advocated for a special session where 23 individual lawsuit reform bills passed, re-enacting every reform.

Total Return On YOUR Involvement – Your “Return on Involvement” (including your monetary investment and your active participation in our legislative agenda) has resulted in helping the State Chamber of Oklahoma fulfill its mission to “make Oklahoma the state of choice for business.” Adding it all up, over the past several years the State Chamber has brought you more than:

- Estimated savings for Oklahoma businesses $24.5 Million per year
- Estimated savings for Oklahoma businesses $263 Million per year
- Estimated savings for Oklahoma businesses $216 Million per year
- Estimated savings for Oklahoma businesses $595 Million per year

Combined with the savings gained from the elimination of the estate tax total estimated savings for Oklahoma businesses $91.5 Million per year

Estimated savings to Oklahoma businesses, doctors, hospitals and consumers PRICELESS

$1.19 Billion in annual bottom line savings

The above ROI does not include all of the bad pieces of legislation we’ve blocked over the years that would have negatively impacted your bottom line. Just recently we’ve stopped bills that would have increased the state’s minimum wage above the federal level; would have prohibited any business from utilizing economic incentives unless overseas workers were paid the same as in Oklahoma; would have prohibited termination of any worker without “just cause”; and would have changed the game on businesses utilizing economic development programs that encourage capital investment and new job creation in Oklahoma.
Economic Development & Taxation

The State Chamber of Oklahoma was successful in passing a number of its agenda items this session, including a stable oil and gas tax structure that will promote capital investment and drilling in Oklahoma; the continuation of a proven tax credit for the aerospace industry that will help retain and grow high-paying, high-skilled jobs; and a change to the Quality Jobs Act that will aid in expansion of Oklahoma military installations. Attempts to create new taxes or make it harder to access existing incentives were thwarted.

**Successful in Passing**

**HB2562:** Places all oil and gas drilling under the same gross production tax rate of 7% with a 2% rate for the first three years of production.

**HB1416:** Expanded the Quality Jobs Act to allow rebates to flow into a public trust that spends money helping a branch of the U.S. Armed Forces create civilian jobs. Will immediately help secure new jobs at Tinker AFB.

**HB2509:** Extends the proven aerospace engineering employer and employee tax credit to 2018 and clarifies language ensuring former interns qualify.

**SB2128:** Encourages housing development in rural Oklahoma by creating the Oklahoma Affordable Housing Act, a state tax credit that matches the federal low-income housing tax credit.

**Successful in Stopping**

**HB1876:** Would have allowed counties to seek a special election to impose a new severance tax on the production of rock, gravel, sand and gypsum.

**HB2556:** Would have placed a 2016 sunset date on 18 different economic development programs, including the Quality Jobs Act.

**HB2807:** Would have created confusion and costly consequences for property owners and governing bodies in eminent domain proceedings and stifled economic development.

**HJR1079:** Would have required tax credit measures to receive super majorities in both houses or a vote of the people to be enacted.

**HB2806/HB2808:** Would have limited Oklahoma technology companies in competition for federal contracts and affected their ability to maintain competitive business models with companies outside of Oklahoma.

Health Care, Research & Technology

Reducing costs in health care was addressed on two fronts: making sure patients can find savings on prescription drugs and increasing liability protections for health care professionals. Bills that would increase burdensome regulations and halt important research were blocked.

**Successful in Passing**

**HB2100:** Compromise bill negotiated between Pharmacy Benefits Managers and local pharmacies which increases transparency and creates uniform appeals processes.

**SB1218:** Extends liability protections for professionals engaged in peer review and credentialing.

**Successful in Stopping**

**HB2070:** Would have prohibited embryonic stem cell research by making it a felony with maximum sentence of life in prison if the embryo is harmed or destroyed.

**HB2400:** Would have mandated hospitals and surgery centers to share their prices with the State Board of Health or risk loss of license for failure to comply.

**SB1821:** Would have required physicians to access a prescription drug database prior to prescribing any controlled dangerous substance.

**HB2806/HB2808:** Would have limited Oklahoma technology companies in competition for federal contracts and affected their ability to maintain competitive business models with companies outside of Oklahoma.
Measures to ensure the state has control over pipeline safety and allow flexibility for water resources were passed. Excessive regulations were stopped which would have prohibited wind farms from being built in half the state and allowed outside groups to protest mining operations.

**HB2533:** Requires the Oklahoma Corporation Commission to open a Notice of Inquiry process related to pipeline safety as part of efforts to ensure state primacy over regulation of pipelines.

**SB1187:** Will allow municipalities and water districts to expand their water resources through expedited permitting of water reuse and recycling.

**SB1184:** Would have opened the door to environmentalist groups to block growth of industry in Oklahoma by allowing any person with an interest in new mining operations to protest an application versus only those who may be affected by new operations.

**SB1440/SB1559:** Would have imposed a moratorium on new development and construction of wind power and regulated wind turbines to an excessive extent preventing construction and investment in Oklahoma.

**SB1023:** Prohibits any municipality or political subdivision from establishing mandated minimum wage and employee benefits, reserving that right to the state, to ensure uniform laws for businesses across the state.

**SB1322:** Would have repealed a portion of the landmark Workers’ Compensation reforms passed last year.

**HB2372:** Prohibits an employer from requiring a current or prospective employee to disclose or give access to his or her social media account. Limits employer liability and imposes a $500 fine if violated.

**HB2505:** Tightens the definition of “misconduct” for intentional acts and excessive absenteeism in unemployment compensation cases to reduce frivolous claims against employers.

Successful in Stopping

**SB1440/SB1559:** Would have imposed a moratorium on new development and construction of wind power and regulated wind turbines to an excessive extent preventing construction and investment in Oklahoma.

**SB1184:** Would have opened the door to environmentalist groups to block growth of industry in Oklahoma by allowing any person with an interest in new mining operations to protest an application versus only those who may be affected by new operations.
Infrastructure & Transportation

The state’s commitment to improving its roads and bridges will continue, thanks to the defeat of an effort aimed at diverting funding dedicated to transportation needs.

Successful in Stopping

HB 2642: A committee substitute would have diverted funds earmarked for road and bridge improvements needed for the state’s Eight-Year Construction Work Plan.

Pensions

Oklahoma is facing an $11-billion unfunded liability in its public pension systems. A major reform passed this year will help address the issue by making sure the state doesn’t continue to exacerbate the problem.

Successful in Passing

HB 2630: Creates a separate defined contribution system for new state employees who join the system on or after July 1, 2015, except for high-risk occupations.

Unfinished Business

SB1988/SJR21: Judicial reform to remove undue influence by the Bar Association in the selection of judges in Oklahoma.

HB2999: Limits ex parte communications in agency hearings by limiting executive sessions of agencies to be held only by members of the agency rendering the final decision, without the presence or participation of agency employees, contractors, or attorneys; therefore, protecting members of the private sector from undue government influence.

SB754: Products Liability Reform: protecting manufacturers when consumers misuse a product.

SB1639: Allows businesses to receive a 100% rebate for tuition paid on behalf of an employee for a critically necessary license, certificate or degree.

HB3142: Allows a manufacturer time to recover if damage occurs to the property or improvements in order to receive the five-year property tax exemption.

HB3292: Eliminates the franchise tax.

HB3360: Allows private companies to test and certify commercial drivers to help address the backlog of students and potential employees awaiting certification of a CDL to fill numerous open commercial driving jobs in Oklahoma.
“Our individual voices as business leaders are amplified through engagement. If we don’t speak up, the only voices being heard will be from those who want to increase the regulations you struggle with and shift the tax burden to your company. It’s your business that’s at stake and lawmakers will listen when business leaders come together to fight for policies that create jobs and encourage growth.

Engagement is now - year-round - not just during the legislative session. You never stop working for your company, so the State Chamber won’t stop working for you.”

- Chuck Mills

Chairman, State Chamber of Oklahoma Board of Directors