

An Act

ENROLLED HOUSE
BILL NO. 1928

By: Sims of the House

and

Rader of the Senate

An Act relating to public health and safety; amending 82 O.S. 2021, Sections 1085.91, 1085.92, 1085.93, 1085.94, and 1085.95, which relate to Hazard Mitigation Financial Assistance; clarifying legislative intent; clarifying definitions; changing name of Oklahoma Department of Civil Emergency Management to Oklahoma Department of Emergency Management and Homeland Security; establishing a revolving fund within the State Treasury; specifying purpose of fund; permitting the use of funds for hazard mitigation planning and projects; and providing an effective date.

SUBJECT: Public health and safety

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 82 O.S. 2021, Section 1085.91, is amended to read as follows:

Section 1085.91 In addition to the financial assistance ~~program~~ programs established under Sections 1085.31 through 1085.49, 1085.51 through 1085.65, and 1085.71 through 1085.84A of ~~Title 82 of the Oklahoma Statutes~~ this title pursuant to Section 39 of Article X of the Oklahoma Constitution, it is the intention of the Legislature to establish a ~~Flood~~ Hazard Mitigation Financial Assistance Program. Financing projects to mitigate ~~flooding~~ is certain hazards are hereby declared to be a public purpose.

SECTION 2. AMENDATORY 82 O.S. 2021, Section 1085.92, is amended to read as follows:

Section 1085.92 As used in the ~~Flood~~ Hazard Mitigation Financial Assistance Program:

1. "~~Flood hazard~~ Hazard mitigation projects" means those projects designed to correct, alleviate or eliminate a condition or situation which poses a repetitive threat to life, property, or public safety from the effects of a ~~flood~~ disaster;

2. "Eligible entity" means any city, town, county, or the State of Oklahoma, and any rural water or sewer district, irrigation district, public trust, master conservancy district, or other political subdivision or any combination thereof;

3. "Board" means the Oklahoma Water Resources Board; and

4. "Department" means the Oklahoma Department of ~~Civil~~ Emergency Management and Homeland Security.

SECTION 3. AMENDATORY 82 O.S. 2021, Section 1085.93, is amended to read as follows:

Section 1085.93 A. ~~In addition to other lawful purposes, monies placed in the Statewide Water Development Revolving Fund, exclusive of such amounts of interest derived from investment deposits necessary to maintain the grant account at its maximum amount as provided in Section 1085.40 of this title, may be used by the Board for flood hazard mitigation projects pursuant to the Flood Hazard Mitigation Financial Assistance Program.~~

B. ~~Within the Water Resources Fund created pursuant to Section 1085.33 of Title 82 of the Oklahoma Statutes, there is hereby created the "Flood Hazard Mitigation Account". The account shall be set apart as a permanent and perpetual account not subject to fiscal year limitations and shall consist of:~~

~~1. All monies appropriated to the account;~~

~~2. Interest income from deposits made to the Statewide Water Development Revolving Fund for the purpose of flood hazard mitigation;~~

~~3. All income from the investment of monies held in the account consistent with applicable bond resolutions or indentures; and~~

~~4. Any other sums designated for deposit to the account from any source, public or private.~~

~~C. The monies in the account shall be used by the Oklahoma Department of Civil Emergency Management and the Oklahoma Water Resources Board after receipt of recommendations from the State Hazard Mitigation Team, to implement flood hazard mitigation projects, including but not limited to providing grants or loans to eligible entities to:~~

~~1. Acquire land or a conservation easement from a willing seller or grantor in order to mitigate flood hazards; or~~

~~2. Implement voluntary, incentive-based flood hazard mitigation measures in order to facilitate compliance with state or national regulations.~~

There is hereby created in the State Treasury a revolving fund for the Oklahoma Water Resources Board to be designated the "Hazard Mitigation Financial Assistance Fund". The fund shall be a continuing fund, not subject to fiscal year limitations, and shall consist of all monies received by the Oklahoma Water Resources Board from appropriations, dedicated revenues, fees or other sources as provided by law. All monies accruing to the credit of said fund are hereby appropriated and may be budgeted and expended by the Oklahoma Water Resources Board for the purpose of providing loans and grants for hazard mitigation. Expenditures from said fund shall be made upon warrants issued by the State Treasurer against claims filed as prescribed by law with the Director of the Office of Management and Enterprise Services for approval and payment.

B. In addition to other lawful purposes, monies placed in the Fund, exclusive of such amounts of interest derived from investment deposits necessary to maintain the grant account, may be used by the Board to implement hazard mitigation planning and projects, including but not limited to, providing grants or loans to eligible entities to:

1. Develop a federal/state approved local/regional hazard mitigation planning document;

2. Acquire land or a conservation easement from a willing seller or grantor in order to mitigate hazards; or

3. Implement voluntary, incentive-based hazard mitigation measures in order to facilitate compliance with state or national regulations.

~~D. C.~~ Monies in, or investment income derived from, the ~~Flood~~ Hazard Mitigation ~~Account~~ Financial Assistance Fund which is used to match any grant funds provided by the Federal Emergency Management Agency or any other federal agencies shall be restricted and used consistent with ~~Federal Emergency Management Agency~~ federal agencies procedures or guidance or regulations promulgated thereunder for ~~flood~~ hazard mitigation projects.

~~E. D.~~ Monies in the ~~Flood~~ Hazard Mitigation ~~Account~~ Financial Assistance Fund, or investment income derived therefrom, shall be used by the Oklahoma Water Resources Board and the Oklahoma Department of ~~Civil~~ Emergency Management and Homeland Security in carrying out their responsibilities as provided in a written annual joint operating agreement which shall include, among other matters, a budget for administering the Oklahoma ~~Flood~~ Hazard Mitigation Program.

~~F. E.~~ The monies placed in the ~~Flood~~ Hazard Mitigation ~~Account~~ Financial Assistance Fund may be invested by the State Treasurer in an adequately collateralized manner and as prescribed by Section 89.2 of Title 62 of the Oklahoma Statutes or pursuant to investment contracts or agreements with entities maintaining a rating in the top two categories by a nationally recognized municipal bond rating agency, all in a manner consistent with ~~the federal Safe Drinking Water Act or regulations~~ promulgated thereunder regulations. The Board may transfer to the ~~Flood~~ Hazard Mitigation ~~Account~~ Financial Assistance Fund income derived from investment of the fund. Monies invested by the State Treasurer shall be available to implement ~~flood~~ hazard mitigation projects.

~~G. F.~~ The Board shall cause to be completed an annual audit of any expenditures from the ~~Flood~~ Hazard Mitigation ~~Account~~ Financial Assistance Fund, and such audit cost shall be included in the budget for administering the Oklahoma ~~Flood~~ Hazard Mitigation Program.

SECTION 4. AMENDATORY 82 O.S. 2021, Section 1085.94, is amended to read as follows:

Section 1085.94 A. In addition to other powers and duties provided by law, the Oklahoma Water Resources Board shall have the power and duty to:

1. After receipt from the Oklahoma Department of Civil Emergency Management and Homeland Security, process applications for grant funds or loans from the ~~Flood Hazard Mitigation Account~~ Financial Assistance Fund and enter into grant or loan agreements for use of such funds;

2. Promulgate rules as deemed necessary by the Board to administer the ~~Flood Hazard Mitigation Financial Assistance Program~~;

3. Utilize the priority listing of applicants compiled by the Oklahoma Department of Civil Emergency Management and Homeland Security ~~after recommendations from the State Hazard Mitigation Team~~ in considering ~~grant~~ applications;

4. a. Issue investment certificates, in accordance with the provisions of Sections 1085.33 and 1085.37 of ~~Title 82 of the Oklahoma Statutes~~ this title and the Oklahoma Bond Oversight and Reform Act, to provide necessary funds first to meet the demand for loan funding from the ~~Flood Hazard Mitigation Financial Assistance Program~~; provided, any investment certificate proceeds not needed for such demand may be used by the Board, as needed, for funding other financial assistance programs authorized in ~~Title 82 of the Oklahoma Statutes~~ this title, and

b. Enter into loan agreements with and make loans from the proceeds of investment certificates to eligible entities for ~~flood~~ hazard mitigation projects upon terms not inconsistent with the provisions of Section 1085.36 of ~~Title 82 of the Oklahoma Statutes~~ this title; and

5. Enter into agreements with the Oklahoma Department of Civil Emergency Management and Homeland Security or other state or federal agencies as deemed necessary by the Board to monitor and measure ~~flood~~ hazard events.

B. In addition to other powers and duties provided by law, the Oklahoma Department of Civil Emergency Management and Homeland Security shall ~~consider the recommendations, if any, of the State Hazard Mitigation Team prior to:~~

a. ~~promulgation of~~

1. Promulgate rules providing for and establishing a priority listing of grant and loan applicants for flood hazard mitigation projects subject to the Oklahoma Civil Defense and Emergency Resources Management Act, ~~7~~1; and

~~b. determining~~

2. Determine eligibility of those entities authorized to receive funding from the ~~Flood~~ Hazard Mitigation ~~Account~~ Financial Assistance Fund.

SECTION 5. AMENDATORY 82 O.S. 2021, Section 1085.95, is amended to read as follows:

Section 1085.95 A. Loans and grants under the ~~Flood~~ Hazard Mitigation Financial Assistance Program may be used in conjunction with other financial assistance available from the Oklahoma Water Resources Board.

B. If a ~~flood~~ hazard mitigation project includes activities to be conducted on privately owned real property, the loan or grant agreement between the Board and the eligible entity that receives the grant shall contain a provision about any necessary subagreements with the owners of the property.

SECTION 6. This act shall become effective November 1, 2023.

Passed the House of Representatives the 22nd day of March, 2023.

Presiding Officer of the House
of Representatives

Passed the Senate the 24th day of April, 2023.

Presiding Officer of the Senate

OFFICE OF THE GOVERNOR

Received by the Office of the Governor this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____

Approved by the Governor of the State of Oklahoma this _____

day of _____, 20_____, at _____ o'clock _____ M.

Governor of the State of Oklahoma

OFFICE OF THE SECRETARY OF STATE

Received by the Office of the Secretary of State this _____

day of _____, 20_____, at _____ o'clock _____ M.

By: _____