1 STATE OF OKLAHOMA 2 1st Session of the 58th Legislature (2021) 3 HOUSE BILL 2171 By: McEntire 4 5 6 AS INTRODUCED 7 An Act relating to municipal utility oversight; enacting the Municipal Utilities Oversight Act; amending 11 O.S. 2011, Section 44-104, which relates 8 to boards of adjustment; providing for board of 9 adjustment to hear utility customer appeals; prescribing procedures for customer appeals with 10 respect to alleged overcharges for certain utility services; prescribing notice requirement; authorizing 11 petition to district court; providing for payment of attorney fees and costs for frivolous appeals; 12 providing for presentation to board of adjustment; providing for exclusive nature of remedy; providing 1.3 for testing of utility meters; providing for payment of deposit; providing for return of deposit based 14 upon test outcome; providing for surrender of deposit based upon test outcome; prescribing procedures for 15 reimbursement or crediting for overcharges; providing for codification; providing for noncodification; and 16 providing an effective date. 17 18 19 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA: 20 SECTION 1. A new section of law not to be NEW LAW 21 codified in the Oklahoma Statutes reads as follows: 22 This act shall be known and may be cited as the "Municipal 23 Utilities Oversight Act". 24

SECTION 2. AMENDATORY 11 O.S. 2011, Section 44-104, is amended to read as follows:

Section 44-104. The board of adjustment shall have the power to:

- 1. Hear and decide appeals if it is alleged there is error in any order, requirement, decision, or determination made by an administrative official in the enforcement of any zoning ordinance;
- 2. Hear and decide special exceptions to the zoning ordinance to allow a use, or a specifically designated element associated with a use, which is not permitted by right in a particular district because of potential adverse effect, but which if controlled in the particular instance as to its relationship to the neighborhood and to the general welfare, may be permitted by the board of adjustment, where specifically authorized by the zoning ordinance, and in accordance with the substantive and procedural standards of the zoning ordinance;
- 3. Authorize in specific cases a variance from the terms, standards and criteria that pertain to an allowed use category within a zoning district as authorized by the zoning ordinance when such cases are shown not to be contrary to the public interest if, owing to special conditions, a literal enforcement of the provisions of the ordinance will result in unnecessary hardship and so that the spirit of the ordinance shall be observed and substantial justice done; provided, however, the board shall have no power to authorize

variances as to use except as provided by paragraph 4 of this section;

- 4. Hear and decide oil and/or gas applications or appeals unless prohibited throughout a municipality by municipal ordinance. The board of adjustment shall be required to make the findings prescribed by Section 44-107 of this title in order to grant a variance as to use with respect to any such application or appeal;
- 5. Hear utility customer appeals as outlined in Section 3 of this act.

Exceptions and/or variances may be allowed by the board of adjustment only after notice and hearing as provided in Section 44-108 of this title. The record of the meeting at which the variance or special exception was granted shall show that each element of a variance or special exception was established at the public hearing on the question, otherwise said variance or special exception shall be voidable on appeal to the district court.

- SECTION 3. NEW LAW A new section of law to be codified in the Oklahoma Statutes as Section 44-111 of Title 11, unless there is created a duplication in numbering, reads as follows:
- A. Limited Power of Appeal Any customer of a municipal government, trust with a municipal government as a beneficiary, or authority with a municipal government as a beneficiary, that provides water, natural gas, electric power, or similar service to its residents shall be eligible to seek an appeal under this section

as to any alleged overcharge of their utility account. In addition to Oklahoma Open Meeting Act requirements, the only additional notice requirement for utility customer appeals shall consist of mailing written notice by the clerk of the board of adjustment to the utility customer who has petitioned for a hearing before the board of adjustment ten (10) days prior to the scheduled hearing. The municipal government, trust, or authority may petition the district court for attorney's fees and other costs to reimburse actual expenses incurred for frivolous appeals under this section.

- B. Appeal Hearing The municipal government, trust or authority and the utility customer shall be allowed adequate time to make their respective presentations to the board. After the board enters its decision, the matter shall be concluded and neither party shall have any further right of appeal.
- C. Remedy The exclusive remedy of the board of adjustment in regard to a utility customer appeal is limited to the meter test outlined in subsection D of this section.
- D. Authorized Meter Tests If the municipal government, trust or authority waives their right to a hearing or if the board of adjustment determines there is sufficient evidence to order the municipal government, trust or authority to obtain a test of the utility meter in question, the following meter test procedure will be followed. The utility customer shall be required to pay a deposit to reimburse the municipality, trust or authority for only

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    the actual expenses of the meter test. If the meter is determined
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    to be out of compliance with the operational parameters as outlined
    by the manufacturer, the utility customer's deposit will be returned
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    to the customer. If the meter is functioning within the operational
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    parameters as outlined by the manufacturer, the deposit will be
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    surrendered to the municipal government, trust or authority.
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    Additionally, if the meter is determined to be out of compliance
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    with the operational parameters as outlined by the manufacturer and
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    the meter test provides conclusive evidence there has been an
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    overcharge to the utility customer, the municipal government, trust
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    or authority shall make prompt and reasonable arrangements to
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    reimburse or otherwise credit the utility customer for the
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    overcharge.
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        SECTION 4. This act shall become effective November 1, 2021.
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