

1 **SENATE FLOOR VERSION**
2 April 15, 2025

3 ENGROSSED HOUSE
4 BILL NO. 1166

By: Kelley, Miller, and
Steagall of the House

5 and

6 Howard of the Senate

7
8
9 An Act relating to cities and towns; amending 11 O.S.
10 2021, Section 21-103, which relates to procedures for
11 annexation; modifying procedure for annexation of
territory without the consent of majority of owners;
and providing an effective date.

12
13
14 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

15 SECTION 1. AMENDATORY 11 O.S. 2021, Section 21-103, is
16 amended to read as follows:

17 Section 21-103. A. Before the governing body of a city or town
18 may annex any territory adjacent or contiguous to the city or town,
19 it must obtain the written consent of the owners of at least a
20 majority of the acres to be annexed to the municipality and provide
21 for notice and a public hearing on the proposed annexation of the
22 territory in the manner provided in subsection B of this section.
23 The annexation of land by a connecting strip serving no municipal
24 purpose other than to establish statutory contiguity or

1 adjacentness, or to capture territory within the area to be annexed,
2 constitutes an impermissible exercise of state-delegated authority
3 by a municipality and shall be prohibited. Municipalities with a
4 population of twelve thousand (12,000) or less may only annex up to
5 eight (8) square miles in one area at any one time provided the
6 municipality obtains the written consent of the owners of at least
7 sixty-five percent (65%) of the acres to be annexed and twenty-five
8 percent (25%) of the population to be annexed.

9 B. The governing body shall provide the notice and public
10 hearing required in subsection A of this section in the following
11 manner:

12 1. The governing body of the municipality shall direct that
13 notice of the proposed annexation of the territory be published in a
14 legally qualified newspaper of general circulation in the territory
15 and shall describe the boundaries of the territory proposed to be
16 annexed by reference to a map, geographical locations, legal or
17 physical description or other reasonable designation. The notice
18 shall state the date, time, and place the governing body shall
19 conduct a public hearing on the question of annexing the territory.
20 The notice shall be published in a legal newspaper of general
21 circulation in the territory sought to be annexed within fourteen
22 (14) days following the date the governing body directed the notice
23 to be published;

1 2. A copy of the notice of annexation shall be mailed by first-
2 class mail to all owners of property to be annexed as shown by the
3 current year's ownership rolls in the office of the county treasurer
4 and to all owners of property abutting any public right-of-way that
5 forms the boundary of the territory proposed to be annexed and to
6 the Sales and Use Tax Division of the Oklahoma Tax Commission;
7 provided that the notice of annexation shall be mailed by certified
8 mail to every person who owns a parcel of land of five (5) acres or
9 more used for agricultural purposes; and

10 3. The public hearing of such annexation shall be held no
11 earlier than fourteen (14) days nor more than thirty (30) days
12 following the publication and mailing of the notice.

13 C. Unless otherwise provided by law, a roadway or road right-
14 of-way that is adjacent or contiguous to the territory to be annexed
15 shall be considered a part and parcel to the territory to be
16 annexed.

17 D. Before any territory is annexed to a municipality, ~~without~~
18 ~~the written consent of the owners of at least a majority of the~~
19 ~~acres to be annexed to the municipality in accordance with~~
20 ~~subsection A of this section, the governing body of the municipality~~
21 ~~shall direct that notice of the proposed annexation of the territory~~
22 ~~be published in a legally qualified newspaper of general circulation~~
23 ~~in the territory and shall hold a public hearing on the proposed~~
24 ~~annexation. Prior and prior to the publication of notice pursuant~~

1 | to subsection B of this section, the municipality shall prepare a
2 | plan to extend municipal services including, but not limited to,
3 | water, sewer, fire protection, law enforcement and the cost of such
4 | services appropriate to the proposed annexed territory. The plan
5 | shall be included in the notices published and mailed pursuant to
6 | subsection B of this section. The plan shall provide that the
7 | municipality complete the implementation of the plan in accordance
8 | with any existing capital improvement plan applicable to the portion
9 | of the municipality adjacent to the territory proposed to be
10 | annexed. If no such capital improvement plan has been adopted, the
11 | municipality shall complete the service plan within one hundred
12 | twenty (120) months from the date of annexation unless a different
13 | time is determined by consensus between property owners and the
14 | municipality at the hearing. The time for completion of the service
15 | plan shall be set forth in the ordinance annexing the territory. If
16 | municipality services are not ~~substantially~~ complete within the
17 | prescribed time, then the territory shall immediately be detached by
18 | from the governing body as provided in Section 21-110 of this title
19 | upon expiration of the one hundred twenty (120) months. For
20 | purposes of this subsection, services may be provided by any method
21 | or means available to the municipality to extend municipal services
22 | to any other area of the city or town. ~~Such notice, hearing and~~
23 | ~~plan shall be subject to the following provisions:~~

24 |

1 1. The notice shall describe the boundaries of the territory
2 proposed to be annexed by reference to a map, geographical
3 locations, legal or physical description or other reasonable
4 designation and shall state that the proposed service plan is
5 available for inspection at a specified location. The notice shall
6 state the date, time, and place when the governing body shall
7 conduct a public hearing on the question of annexing the territory.
8 The notice shall be published in a legal newspaper of general
9 circulation in the territory sought to be annexed within fourteen
10 (14) days following the date the governing body directed the notice
11 to be published. A copy of the notice of annexation shall be mailed
12 by first class mail to all owners of property to be annexed as shown
13 by the current year's ownership rolls in the office of the county
14 treasurer and to the Department of Transportation for purposes of
15 clarifying any road maintenance responsibilities; provided that the
16 notice of annexation shall be mailed by certified mail to every
17 person who owns parcel of land of five (5) acres or more used for
18 agricultural purposes and to the board of county commissioners of
19 the respective county where the proposed annexation is located. If
20 the territory to be annexed encroaches upon any adjacent county, a
21 copy of the notice of annexation shall be mailed by first-class mail
22 to the board of county commissioners of the adjacent county and of
23 the county where the proposed annexation is located;

1 2. The public hearing of such annexation shall be held no
2 earlier than fourteen (14) days nor more than thirty (30) days
3 following the publication and mailing of the notice; and

4 3. The proposed service plan shall be available for inspection
5 and be explained to the property owners of the territory to be
6 annexed at the public hearing. The plan may be amended through
7 negotiation at the hearing. The final service plan shall be
8 incorporated into and made part of the ordinance annexing the
9 territory.

10 E. In any situation where the territory to be annexed by any
11 city or town includes land owned by a state beneficiary public trust
12 or that was previously owned and conveyed by a state beneficiary
13 public trust, annexation ~~shall not be carried out under the~~
14 ~~provisions of subsection D of this section, but instead shall~~
15 require the written consent of all of said trust and transferees of
16 said trust.

17 F. E. The prevailing property owner in an annexation dispute
18 shall be entitled to court costs and reasonable attorney fees,
19 including, but not limited to, when a municipality withdraws,
20 revokes or otherwise reverses the ordinance at issue in response to
21 litigation before issuance of a final judgment.

22 G. F. As used in this section:

23 1. "Airport" means any facility owned by any legal entity or by
24 a county, a municipality or a public trust having at least one

1 county or municipality as its beneficiary which is used primarily
2 for the purpose of providing air transportation of persons or goods
3 or both by aircraft powered through the use of propellers,
4 turboprops, jets or similar propulsion systems;

5 2. "Military installation" means those facilities constituting
6 the active or formerly active bases owned by the Department of
7 Defense or other applicable entity of the United States government
8 or by any entity of local government after transfer of title to such
9 installation; and

10 3. "Spaceport" means any area as defined pursuant to Section
11 5202 of Title 74 of the Oklahoma Statutes.

12 H. G. Except for ordinances enacted pursuant to Section 43-
13 101.1 of this title, parcels of land five (5) acres or more used for
14 agricultural purposes annexed into the municipal limits on or after
15 July 1, 2003, or parcels of land forty (40) acres or more used for
16 agricultural purposes prior to annexation and have continued in
17 uninterrupted agriculture use annexed into the municipal limits
18 shall be exempt from ordinances restricting land use and building
19 construction to the extent such land use or construction is related
20 to agricultural purposes. Where there is no residence within fifty
21 (50) feet of the boundaries of such a parcel of land, the property
22 shall not be subject to ordinances regulating conduct that would not
23 be an offense under state law; provided, that any such property that
24 discharges into the municipal water, wastewater, or sewer system

1 shall be subject to any ordinances or regulations related to
2 compliance with environmental standards for that system.

3 I. H. Parcels of land situated within an area that is or may be
4 subject to any form of land use or other regulatory control as a
5 result of proximity to an airport, spaceport or military
6 installation shall not be exempt from municipal ordinances or other
7 laws regulating property for the purpose of operations necessary for
8 the use of an airport, spaceport or military installation and such
9 parcels of land shall be subject to all ordinances enacted pursuant
10 to Section 43-101.1 of this title.

11 J. I. If territory is annexed pursuant to this section, the
12 annexing governing body shall provide notice by first-class mail
13 together with a map and plat of the annexed territory to the Sales
14 and Use Tax Division of the Oklahoma Tax Commission prior to the
15 effective date of such annexation. The Tax Commission shall notify
16 the known sales tax vendors within the boundaries of the annexed
17 territory as provided by Section 119 of Title 68 of the Oklahoma
18 Statutes.

19 SECTION 2. This act shall become effective November 1, 2025.

20 COMMITTEE REPORT BY: COMMITTEE ON JUDICIARY
April 15, 2025 - DO PASS

21

22

23

24