Minutes of the Oklahoma Corporation Commission State of Oklahoma

November 29, 2023 – 1:30 p.m.

These are the minutes for the Corporation Commission's ("Commission") special meeting conducted in accordance with the Open Meeting Act on November 29, 2023, in Courtroom E, Will Rogers Memorial Office Building, 2401 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105. Archived Commission meeting recordings may be accessed on the Commission's website.

The notice and agenda for the meeting were publicly posted at the principal office of the Commission at the Will Rogers Memorial Office Building, 2401 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105 at 11:00 a.m., November 27, 2023, by Commission employees acting under the direction of Chairman J. Todd Hiett. Notice was provided in writing to the Oklahoma Secretary of State at least forty-eight hours in advance of the meeting. The notice and agenda are also made available to the public on the Commission's website, oklahoma.gov/occ. A copy of the notice and agenda is attached to these minutes as Appendix A.

Chairman Hiett called the meeting to order at 1:30 p.m.

Members present were Chairman Todd Hiett, Vice Chairman Kim David, and Commissioner Bob Anthony. A quorum of the Commission was present. Interested persons participated in the meeting in person or by teleconference/videoconference when and as authorized.

Briefing and discussion on the status of the State Task Force on Motor Carrier Regulation and Enforcement – Director of Administration Brandy Wreath and/or Chief Legal Counsel Mark Willingham. Discussion and Possible vote(s) on a statement and/or letter of other direction to Commission staff concerning the State Task Force on Motor Carrier Regulation and Enforcement Mark Willingham, chief legal counsel, was recognized and provided an update on State Task Force activities. Discussion was held. Commissioner David MADE A MOTION to issue the letter discussed and send to the Task Force chairperson. A copy of the letter is attached to these minutes as Appendix B.

VOTE: Commissioner Hiett Aye Commissioner David Aye Commissioner Anthony Aye

The motion passed.

Adjournment The meeting adjourned at 1:40 p.m.

Todd Hiett, Chairman

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ATTESTED this 21st day of December, 2023.

Garey L. Wortham, Commission Secretary

OKLAHOMA CORPORATION COMMISSION

Notice of Public Meeting Special Meeting

Notice is hereby given to all persons that the Oklahoma Corporation Commission ("Commission") shall meet and conduct business as follows:

Time, Day, and Date: 1:30 p.m. Wednesday, November 29, 2023

Place: Courtroom E, Will Rogers Memorial Office Building,

2401 North Lincoln Boulevard, Oklahoma City,

Oklahoma 73105

Courtroom E is located in the basement of the Will Rogers

Memorial Office Building in the Capitol Complex

Purpose: Conducting of daily business enumerated in the items below

Posting Division: Chairman J. Todd Hiett

AGENDA

Item	Topic
I	A. Call to order B. Announcement concerning public notice C. Determination of quorum
II	 A. Briefing and discussion on the status of the State Task Force on Motor Carrier Regulation and Enforcement—Director of Administration Brandy Wreath and/or Chief Legal Counsel Mark Willingham B. Discussion and possible vote(s) on a statement and/or letter or other direction to Commission staff concerning the State Task Force on Motor Carrier Regulation and Enforcement
III	Adjournment

The meeting is open to the public.

Notice was provided in writing to the Oklahoma Secretary of State at least 48 hours in advance of the scheduled meeting, and notice and agenda were posted prominently and publicly at the principal offices of the Commission at the Will Rogers Memorial Office Building, 2401 North Lincoln Boulevard, Oklahoma City, Oklahoma 73105 at 11:00 a.m. November 27, 2023.



APPENDIX B BOB ANTHONY COMMISSIONER

TODD HIETT COMMISSIONER



November 29, 2023

Chairman Matt Herndon State Task Force on Motor Carrier Regulation and Enforcement

Re: Oklahoma Corporation Commission (OCC) Concerns with Proposals Discussed at the State Task Force on Motor Carrier Regulation and Enforcement (Task Force) Meetings

The OCC is gravely concerned with the proposal being put forth by some members of the Task Force to move OCC transportation enforcement officers from OCC while leaving other Transportation Division regulatory duties in place. If the Task Force were to adopt such a recommendation, additional time should be taken to fully study and evaluate the consequences of any actions prior to legislative changes, along with the full fiscal impact to Oklahoma citizens and the affected industry.

As a constitutionally established agency, the OCC is mandated with regulatory and enforcement authority over all transportation companies doing business in Oklahoma. (See Article IX, Section 18 of the Oklahoma Constitution). Moreover, as statewide elected officials, we are held directly accountable by the people. The OCC has faithfully and appropriately handled the regulation of transportation companies for over 100 years, and we see no justification to remove such authority.

The current regulatory arrangement between the OCC, Department of Public Safety (DPS), and the Department of Transportation (ODOT) works. To improve the arrangement, the OCC recommends the following:

- (1) The Legislature should unify the fine structure across agencies and raise vehicle overweight violations to a level comparable to surrounding states with the additional revenue allocated to DPS to hire additional officers for its safety programs; and,
- (2) Make the OCC a partner-agency with DPS by signing a memorandum of understanding for the purpose of conducting safety inspections.

These two simple recommendations achieve the stated purpose(s) of the Task Force in Title 47 O.S. § 173.1, by providing necessary funding to increase highway safety efforts without the need for additional appropriations, protecting Oklahomans and their roadways, and utilizing the existing statutory and constitutional frameworks while ensuring no regulatory disruption to the industry occurs. Instead of recommending these simple improvements, the Task Force continues to push changes to move significant portions of the OCC's Transportation Division to DPS without considering the legal, financial, and staffing consequences. The OCC encourages the Task Force to recommend the least harmful option, as described above, before making drastic and costly proposals.

If a bill is proposed by the Legislature, and OCC's recommendations are not included, OCC will maintain its position that no change should occur, and the current motor carrier enforcement programs should remain as currently configured, which operate at a much lower cost than initial information received from DPS indicates.

Known Fiscal Impact

Current OCC general revenue appropriations: \$3,644,180 Estimated DPS appropriation request: \$18,666,536

Taxpayer increase: \$15,022,356¹

Importantly, if the OCC's recommendations are not included, the Legislature should be prepared to allocate significant recurring appropriations to DPS. The consequences of an arbitrary transfer of field enforcement staff, modifying an efficiently functioning program, would adversely affect the continuity of other programs the OCC is tasked by the Legislature to administer and will result in a \$15 million higher expense to fund the same enforcement personnel. If the goal of the Task Force is to increase the number of safety inspection officers in Oklahoma, there are less expensive and disruptive methods to accomplish this goal that would not require rewriting hundreds of sections of law, further burdening Oklahoma taxpayers, or incurring the risk of disrupting motor carrier regulation in Oklahoma.

Adopting the proposal of some members of the Task Force will also remove citation enforcement from the OCC's existing administrative system. Oklahoma's already overwhelmed district courts will need a significant increase in recurring appropriations to process thousands of new motor carrier citations each year, which are currently processed in the OCC's existing administrative court system. Currently, all motor carrier citations (averaging 4,000 to 6,000 per month) are administrative matters with administrative fines and no court costs. However, should the district courts become responsible for such citations, these would become criminal cases and would include both fines and court costs, and significantly increase costs to the motor carrier industry.

Any consideration to move the IFTA and IRP programs away from OCC could also result in catastrophic fiscal impacts if found non-compliant with these nationally-mandated programs. If these programs are mismanaged, then significant penalties and interest charges could be incurred by the state. (*See Oklahoma ex rel. Oklahoma Tax Comm'n v. Int'l Registration Plan, Inc., 264 F. Supp. 2d 990 (W.D. Okla. 2003)*).

The OCC is willing to work with industry, DPS, ODOT, and the Legislature to find workable solutions to perceived concerns without jeopardizing the roads of Oklahoma. We hope that the Task Force will issue a recommendation taking OCC's concerns into account.

Sincerely,

Chairman J. Todd Hiett

Vice Chairman Kim David

Commissioner Bob Anthony

Cc: Members, State Task Force on Motor Carrier Regulation and Enforcement

Governor, J. Kevin Stitt

Lt. Governor, Matt Pinnell

President Pro Tempore of the Senate, Greg Treat

Speaker of the House of Representatives, Charles McCall

¹ This difference is because DPS would not receive any citation revenue that OCC receives today since their citations are heard in District Court; therefore, requiring more appropriations to fund enforcement.