



2025

LEGISLATIVE WRAP-UP



THE STATE CHAMBER
— OKLAHOMA —

The 2025 Oklahoma legislative session has come to a close — packed with momentum, milestones, and a few missteps. From bill rewrites to strategic wins, the business community stayed engaged and influential every step of the way.

In their debut session as leaders, Senate Pro Tem Lonnie Paxton and House Speaker Kyle Hilbert steered a fast-paced session, introduced fresh leadership to their committees, as well as new committees and processes, and guided 32 new lawmakers through a whirlwind first term.

Major headlines included a reinstatement of a cap on non-economic damages and an income tax cut—both moves celebrated as steps toward making Oklahoma “the most business-friendly state” in the nation, with Governor Kevin Stitt particularly excited about the tax relief, his top priority this session. Lawmakers also tackled mental health system failures, investigating a multi-million-dollar budget hole and ultimately removing leadership at the Department of Mental Health and Substance Abuse Services in the session’s final hours.

Despite bipartisan efforts on a variety of policy areas and bills, the session had its tense moments, including numerous vetoes, veto overrides, and bills becoming law without the governor’s signature. The business community remained active throughout, navigating both promising reforms and potentially problematic proposals.



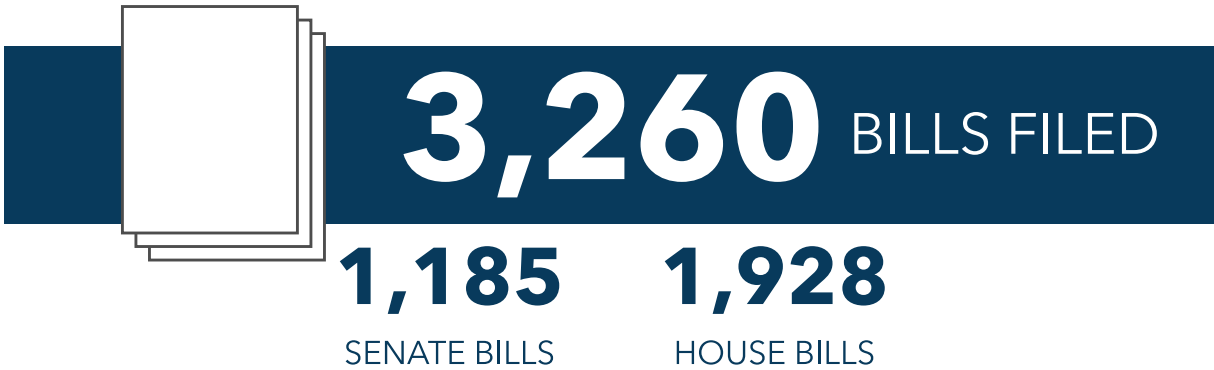
SAVINGS

The State Chamber saved the business community just over

\$1 billion

- Prevented an additional **\$675 million** in liability by passing **SB 453** (additional)
- Stopped **\$1.385 million** in fines, fees, and penalties from increasing the cost of doing business and slowing job creation
- Protected **\$377.65 million** in saved tax rebates, deductions, and credits

Quick glance at the first session of the 60th Legislature:



OVER
330
COMMITTEE MEETINGS



NEARLY **150** HOURS SPENT
IN FLOOR SESSIONS

635

In total, lawmakers sent 635 bills to the Governor's desk:

148 were signed
into law

415 became law
without a signature

50 vetoes were
overridden

71 were vetoed

2 failed overrides

1 pocket veto

FINAL BUDGET:

\$12.9
BILLION

- Deal struck by legislature & executive branch two weeks before Sine Die
- Gov. Stitt did not sign the budget bill; it became law without his signature.

MAJOR BUDGET DEALS IN 2025:

- Funding for OSU Veterinary Hospital (**HB 2773**)
- OU Children's Pediatric Heart Hospital (**HB 2774**)
- Purchasing a private prison (**HB 2780**)
- Incentives for an aluminum plant development (**HB 2781**)
- A quarter-point tax cut while eliminating three brackets and creating a fiscally prudent path to zero (**HB 2764**).

2025 AGENDA PRIORITIES

The State Chamber's 2025 Agenda saw overwhelming success because of the support and hard work from our legislative champions. A big thanks to the legislators that tackled the tough issues to move Oklahoma forward.



In our pursuit to make Oklahoma the best place to do business, major improvements were made in 2025 to Oklahoma's legal environment, steps taken forward to strengthening Oklahoma's workforce pipelines, and improvements to the tax code's overall competitiveness. Each of these concepts take Oklahoma one step closer to becoming the best place to do business.

[SEE MORE AGENDA PRIORITIES HERE](#)

WORKFORCE	
SB 95 (Effective date: 11/1/2025) Sen. Ally Seifried & Rep. Nick Archer	Clarifies that an unpaid intern is not within the definition of "employee" under the Oklahoma Workers' Compensation Act. ✓
SB 662 & 663 (Effective date: 8/29/2025) Sen. Adam Pugh & Rep. Brian Hill	Together, these bills ensure that the Workforce Commission has the authority and funding to implement programing related to workforce development needs of the State. ✓
SB 711 (Effective date: 7/1/2025) Sen. Adam Pugh & Rep. Ronny Johns	Removes chronic absenteeism from the school district's report card mandated by the Every Student Succeeds Act and replaces it with a school climate survey. ✓
LEGAL REFORM	
SB 642 (Effective date: 5/27/2025) Sen. Lonnie Paxton & Rep. Kyle Hilbert	Protects an employers right to contract and enforcement of an indemnity agreement for claims arising under an injury covered by Workers' Compensation. ✓
SB 453 (Effective date: 9/1/2025) Rep. Erick Harris & Sen. Brent Howard	Creates the Oklahoma Expedited Actions Act, which allows for cases only seeking \$250,000 or less to go to court with modified, expedited rules. The bill also includes a cap on noneconomic damages, set at \$500,000 for non-severe and non-permanent injuries, \$1 million for permanent mental injury, and no cap for severe and permanent injuries. ✓
HB 2619 (Effective date: 11/1/2025) Rep. Erick Harris & Sen. Brent Howard	Requires parties to a lawsuit to disclose commercial third-party litigation funding agreements. ✓
TAXES	
SB 324 (Effective date: 8/29/2025) Sen. Kristen Thompson & Rep. Brian Hill	Creates the Oklahoma Research and Development Rebate fund for qualifying research expenditures. ✓

All session, we track legislation through the process. We compile lists in each area of interest to the business community:

- Economic Development
- Energy and Natural Resources
- Health Care
- Infrastructure
- Legal and Labor
- Workforce

Be sure to click the links to find the full list of new laws impacting the business community in 2025 and beyond!



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ECONOMIC DEVELOPMENT

Browse new laws in Oklahoma driving economic development, shaping tax policy, and influencing business operations across the state. Here's a preview of some key bills making waves in this space:

SUPPORT – **SB 987**, by **Sen. Kristen Thompson and Rep. Mike Osburn**, creates a new board for the Department of Commerce. This board will act as the private sector governing body for the department. This measure complements the reforms that passed last session creating the LEAD Committee and divisions within the department. The Governor signed the measure and it goes into effect on January 1, 2026.

SUPPORT – Several tax incentive programs were created or continued that will support growth of industry and specialty workforce needs. **SB 324** creates a research and development rebate program; **HB 2260** offers new incentives for the state's civil engineering workforce; **SB 287** extends the highly successful aerospace engineering incentive; and **SB 578** renews state incentives supporting development of local events that drive economic growth.

[SEE MORE ECONOMIC DEVELOPMENT BILLS HERE](#)

ENERGY

Explore new laws impacting Oklahoma's energy sector and natural resources here. A notable bill in this category includes:

SUPPORT – Large industrial sites use a lot of energy, even more if it is a data processing center. **SB 480**, by **Sen. Grant Green and Rep. Brad Boles**, allows industries to build out needed electric utilities without connection to a public utility. The behind-the-meter policy will allow large industrial users to create and use their own electricity, allowing greater flexibility to power economic development. SB 480 is effective July 1, 2025.

[SEE MORE ENERGY BILLS HERE](#)

HEALTH

New policies shaping Oklahoma's health care environment and the impact to employers can be viewed here. One important bill to note is:

SUPPORT – Last session, the Out-of-Network Ambulance Service Provider Act provided for a 325% Medicare reimbursement rate for out-of-network ambulance providers. After a study released by the State Chamber Research Foundation showed that this reimbursement rate would increase insurance costs for all Oklahomans monthly premiums, **Sen. Paul Rosino and Rep. Preston Stinson modified the law in SB1067**. The reimbursement rate is now the lesser of 325% of Medicare reimbursement rate or the billed ambulance services, and also requires additional reporting to the Oklahoma Insurance Department for future rate adjustments. The bill is effective January 1, 2026.

[SEE MORE HEALTH BILLS HERE](#)

INFRASTRUCTURE

Discover newly enacted laws shaping Oklahoma's infrastructure, from transportation and water systems to utilities and beyond. Some significant bills in this area include:

SUPPORT – **HB 2036, by Rep. Nick Archer and Sen. Casey Murdock**, modifies eminent domain condemnation procedures to encourage fair and speedy resolutions to proceedings. The bill allows written offers made by the condemning authority to be considered when determining value, and lowers the threshold for landowners to collect attorney fees when the condemning authority requests a jury trial. HB 2036 was signed on May 21, 2025, and is effective November 1, 2025.

SUPPORT – **HB 2758, by Rep. Trey Caldwell and Sen. John Haste**, created the Preserving and Advancing County Transportation Fund (PACT Fund) to receive a percentage of gross production tax on natural gas. The fund will increase a county's per county mile highway construction and maintenance ratio with the lowest ratio by \$4,000. The remainder of the fund will be allocated proportionate to the miles of county roads and bridges in the county. HB 2758 was signed on June 11 and is effective July 1, 2025.

[SEE MORE INFRASTRUCTURE BILLS HERE](#)

LEGAL AND LABOR

Tort reform saw monumental movement this session. President Pro Tem Paxton pushed for reforms during budget negotiations. Ultimately, the reforms included third party litigation funding disclosure, placing a cap on non-economic damages, statutorily preventing expert witness to use junk science, and creating business courts. These reforms will limit nuclear verdicts in the state and provide the business community with a more transparent legal system. Check out other important legal and labor reforms [here](#).

SUPPORT – In 2019, the Oklahoma Supreme Court struck down a cap on non-economic damages because it violated the special law provision of the constitution. This cost the business community and Oklahoma's economy over \$3 billion and 32,300 jobs. **SB 453, by Sen. Brent Howard and Rep. Erick Harris**, creates a cap on noneconomic damages for three tiers of injury – the first, at \$500,000, a permanent mental injury at \$1,00,000, and any injury that is both severe and permanent can go beyond the limit. This means reducing nuclear verdicts and ensuring businesses are not hit with disproportionate non-economic damages. The bill was signed on May 28, 2025, and is effective on September 1.

SUPPORT – After a few years of conversations, the House, Senate, and Governor agreed on provisions to create Oklahoma Business Courts. **SB 632, by Sen. President Pro Tem Lonnie Paxton and Speaker Kyle Hilbert**, provides the system for the business courts, including judicial appointment, the threshold and jurisdictional questions to enter the court, and expedited timeline. SB 632 was signed on May 29, 2025, and is effective September 1.

[SEE MORE LEGAL & LABOR BILLS HERE](#)

WORKFORCE

Examine newly enacted legislation shaping workforce development opportunities, reforming employment law, and influencing the future of Oklahoma's labor market. Here's a preview of some impactful bills driving change in this space:

SUPPORT – Oklahoma is one of three states without a state longitudinal data system (SLDS), which centralizes de-identified student data so that teachers, administrators, and policymakers can see what intervention strategies have long-term success. **SB 224, by Sen. Ally Seifried and Rep. Chad Caldwell**, creates an SLDS within the Office of Educational Quality and Accountability. After failing on its first vote in the House but passing on reconsideration, the bill ultimately failed in the Senate. We hope to see this again next session.

SUPPORT – **HB 1287, by Rep. Mike Kelley and Sen. Adam Pugh**, authorizes University of Oklahoma student teachers to implement a math tutoring program for under-performing 9th grade students. Research shows that the best educational intervention is through high-dosage tutoring. Students can participate in this program beginning July 1, 2025.

[SEE MORE WORKFORCE BILLS HERE](#)



 **PROSPERITY
TRACKER**

HOW DID YOUR LEGISLATOR FAIR? FIND OUT ON:

**LEGISLATIVE
SCORECARD**

[DOWNLOAD NOW](#)

BAD FOR BUSINESS

Several bills filed during Oklahoma's 2025 legislative session raised concerns among business leaders for the hinderance the bills would have on economic growth. Proposals expanded regulatory authority, increased the cost of health care, and introduced new mandates that create uncertainty for employers or simply increase the cost of doing business. As these measures moved through the legislative process, the business community made its voice clear: these bills are bad for business.

OPPOSE – HB 1415, by Rep. Josh West and Sen. Brent Howard, created the Oklahoma Antitrust Reform Act, which broadened the scope of an antitrust action to include indirect injuries and modified when antitrust action begins to accrue. While the bill passed in the House 68-20, the Senate did not hear the bill on the floor. HB 1415 would have increased a businesses' liability immensely. **(DID NOT PASS)**

OPPOSE – HB 2144, by Rep. Chris Kannady and Sen. Darrell Weaver, created the Insurance Consumers Protection Act. Under this new act, a private right of action would have been created against insurance companies without any regard to the administrative processes in place at the Oklahoma Insurance Department. The private right of action created in this bill made bad faith a question of fact instead of a question of law. The bill passed unanimously on the House floor but was not taken up on the Senate floor. **(DID NOT PASS)**

OPPOSE – HB 2751, by Rep. Trey Caldwell and Sen. Ally Seifried, placed setback requirements on wind energy facilities from non-participating properties located in certain parts of the state. It also included provisions that would allow counties to approve, deny, or modify the setbacks based on a vote of county residents. After passing through the House, the bill failed in the Senate Energy Committee. The same language was then inserted in SB 2 on the House floor, but that bill was ultimately not heard in the Senate. **(DID NOT PASS)**

OPPOSE – SB 4, by Sen. Kristen Thompson and Rep. Tammy West, prohibits any person or entity from manufacturing, selling, brewing, or distributing certain dyes and substances in food products as outlined in the measure beginning January 15, 2027, for such dyes in food products, and beginning January 18, 2028, for such dyes used to reformulate ingestible drugs. The bill was never heard on the Senate floor. **(DID NOT PASS)**

OPPOSE – SB 48, by Sen. Dave Rader and Rep. Chad Caldwell, eliminates the capital gains deduction currently allowed for qualifying gains. It was not heard on the Senate floor. **(DID NOT PASS)**

OPPOSE – SB 789, by Sen. Todd Gollihare and Rep. Preston Stinson, was originally drafted to include a required \$15 professional fee for each prescription dispensed and set drug pricing on prescription drugs. As session came to a close and the fiscal impact to the state could not be reconciled, the \$15 professional fee was removed from the bill. Some House members involved with the bill committed that the language pertaining to dispensing fees will come back in 2026, and we will be on the lookout when/if it does. SB 789 contains other provisions related to auditing practices, and it became law without signature, effective November 1, 2025.



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